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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Monday 19 March 2018

HER MAJESTY'S GOVERNMENT

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OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-SEVENTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 13 JUNE 2017]

SIXTY-SEVENTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES

VOLUME 638

THIRTEENTH VOLUME OF SESSION 2017-2019

House of Commons

Monday 19 March 2018

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

EDUCATION

The Secretary of State was asked—

Children in Need

1. **Alex Burghart** (Brentwood and Ongar) (Con): If he will take steps to improve outcomes for children in need. [904424]

The Parliamentary Under-Secretary of State for Education (Nadhim Zahawi): We must help children in need to achieve their full potential. That is why we are already implementing vital social care reforms to improve children's safety and stability. On Friday, we launched the children in need review. That will develop the evidence so that we can understand what makes a difference to those children's educational outcomes and what works to improve those outcomes in practice.

Alex Burghart: I strongly welcome the review that was announced last week. Many of us have been pushing for that for a long time, and I am sure that it will make a difference to the nearly 400,000 children in need in our country. As the Minister goes about the review, will he commit to using the considerable data at his disposal to highlight those areas and children that buck the trend, so that we can learn from their example?

Nadhim Zahawi: My hon. Friend has been a champion of children in need. The review is absolutely intended to establish best practice. It builds on work that we already do with our partners in practice local authorities, the expansion of which I announced last week.

Bill Esterson (Sefton Central) (Lab): Since 2010, the number of children on the child protection register is up 83%, while the number of children in care is at its highest since 1985. Does the Minister think that the cuts in children's services since 2010 are the reason for that? If not, to what does he ascribe those terrible outcomes for the most vulnerable children in our society?

Nadhim Zahawi: Local authorities have been increasing their investment in children's services. I visited Hackney, Wigan and Doncaster, and my impression is that the real differentiator is leadership, which is why we are investing £2 million in the Local Government Association to look at leadership and the partners in practice programme.

Melanie Onn (Great Grimsby) (Lab): Early intervention is critical to preventing children from ending up as in need, so why have the Government cut funding that supported the excellent Sure Start and Home-Start projects, which did so much excellent work with new parents in Great Grimsby?

Nadhim Zahawi: Different local authorities do things differently. I visited Stafford, and Stafford and Newcastle have improved the outcomes for children in need by reaching out to those families, rather than by investing in bricks and mortar. There are different ways to deal with this, and local authorities do it best.

Mrs Emma Lewell-Buck (South Shields) (Lab): Research on the Department's figures shows that children are 10 times more likely to be on a child protection plan if they live in a deprived area. Before the end of this Parliament, it is estimated that the figure for child poverty will reach 5 million and the funding gap in statutory services will reach £2 billion. The Minister

said that strong leadership rather than extra funding is the key. Will he explain how strong leadership will end this crisis?

Nadhim Zahawi: Local government spending for all services, including children's services, is £200 billion. We do see leadership as a driver of better outcomes for those children. That is why we are making the investment, including the £15 million that we announced for eight more partners in practice, which help local authorities that are struggling. For example, Leeds is helping Kirklees.

National Funding Formula

2. **Helen Goodman** (Bishop Auckland) (Lab): What assessment he has made of the financial effect of the new national funding formula on schools in England. [904425]

13. **Judith Cummins** (Bradford South) (Lab): What assessment he has made of the financial effect of the new national funding formula on schools in England. [904438]

The Secretary of State for Education (Damian Hinds): The new national funding formula means that funding will finally be distributed based on the needs and characteristics of every school in the country. It is supported by an additional £1.3 billion, which means that we will maintain school and high-needs funding in real terms per pupil for the next two years.

Helen Goodman: Twenty-four of the 44 maintained schools in the Bishop Auckland constituency will lose in real terms, taking account of inflation. Many have high levels of deprivation and large free school meal entitlement. How can the Secretary of State justify that?

Damian Hinds: Of course, the formula rightly takes account of deprivation in the way that the hon. Lady mentions. If the funding formula were implemented in full in the Bishop Auckland constituency, based on the 2017-18 pupil data, funding would increase by £981,000 or 1.9%.

Judith Cummins: In every single school that I have visited in Bradford South since becoming an MP, the head has raised with me major concerns about funding. Will the Secretary of State confirm that, despite the £1.3 billion that his predecessor announced last July, school funding will still have fallen in real terms by 2020 for the first time in a generation?

Damian Hinds: No. On the same basis as I answered the hon. Member for Bishop Auckland (Helen Goodman), if the formula were implemented fully in the Bradford South constituency, it would mean an increase of 1.6% or £1.3 million. Across the system, per pupil real-terms funding is being maintained.

Priti Patel (Witham) (Con): The cost of advertising for teachers and the cost of supply teachers, especially through agencies, are putting strain on school funding and budgets. What action are the Government taking to ensure that more money goes to the education frontline and less on bureaucracy?

Damian Hinds: My right hon. Friend makes a very good point about one of the cost pressures facing schools. We are working on seeing what we can do to help and developing a new framework to help to bring down recruitment costs, especially on the supply teachers she mentions.

Mr William Wragg (Hazel Grove) (Con): Schools in my constituency welcome the principle of the national funding formula, which will see an increase in funding. Will my right hon. Friend meet me and representatives of primary and secondary schools to ensure it is implemented in the right way?

Damian Hinds: My hon. Friend is correct to say that the implementation of the national funding formula is a very important step forward. I am always happy to meet my hon. Friend.

Wes Streeting (Ilford North) (Lab): Taking into account the rising cost pressures on schools, whether on temporary and agency staff or on salaries, virtually every school in my constituency will face real-terms cuts to their funding by 2020. Is that not the truth of the Government's policy, or does the Secretary of State for Education think he knows more about school budgets than headteachers?

Damian Hinds: Across the system over the next two years, the total core schools funding budget will be going up from just under £41 billion this year to £43.5 billion. Of course there have been cost pressures on schools. I do not deny that for a moment. It is one of the reasons why we are taking the steps I outlined a moment ago to try to help with those cost pressures, but across the system per pupil real-terms funding is being maintained.

Tim Loughton (East Worthing and Shoreham) (Con): We welcome the changes to the national funding formula and the additional money, but there is still a huge gap between the way schools are funded in West Sussex and in Greater London. Special schools are not included in the national funding formula, so an average 200-place school in West Sussex will receive something like £800,000 less than an equivalent school in Reading and £2 million less than one in London. When will the Secretary of State address this anomaly?

Damian Hinds: The intention of the national funding formula is not that every pupil throughout the country has exactly the same amount of money spent on them, because it is important that the formula recognises the difference in composition of pupil make-up. We were talking a moment ago about deprivation, but there are other measures of additional need that need to be reflected.

Angela Rayner (Ashton-under-Lyne) (Lab): May I first start by congratulating Andria Zafirakou from north London, who won this year's global teacher prize this weekend. I know the whole House will agree with her on the power of the arts to change young people's lives.

In the Chancellor's spring statement last week, he said: "School budgets are increasing per pupil in real terms."

He also said that

“every school will receive a cash increase.”—[*Official Report*, 13 March 2018; Vol. 637, c. 726-735.]

Does the Secretary of State agree with the Chancellor?

Damian Hinds: First, let me join the hon. Lady in congratulating Andria Zafirakou on her outstanding achievement. It is a particularly striking individual attainment, but it is also a reflection of the incredibly inspirational role that teachers everywhere play.

We have discussed funding at some length. The fact is that across the system the per pupil real-terms funding is being maintained. Over the next couple of years, local authorities will play a role in allocating that money to ensure the final result reflects local circumstances.

Angela Rayner: I am glad the Secretary of State accepts that point, because the UK Statistics Authority last week refuted both of those claims and he had to retract what he said at our last question time. Last week, he said:

“the mere repetition of a falsehood does not turn it into the truth.”—[*Official Report*, 13 March 2018; Vol. 637, c. 801.]

Will he now apologise for misleading the House and make clear the truth that there is no increase and that school budgets may face cuts of up to 1.5% per pupil?

Mr Speaker: Order. Before we proceed further, I must say to the shadow Secretary of State that any accusation of misleading the House must be accompanied by the word “inadvertent”. The hon. Lady cannot accuse a Minister or any Member of deliberately misleading the House, and I am sure she would not wish to do that.

Angela Rayner: No, Mr Speaker. Inadvertently misleading the House.

Damian Hinds: It is true that cash funding per pupil is increasing. It is also true that real-terms funding is increasing. But I could and should have been more precise that when we talk about real-terms per pupil funding, that is being maintained. The core schools budget over the next two years will rise from a little under £41 billion to £43.5 billion.

Social Mobility

3. **Mr Marcus Jones** (Nuneaton) (Con): What steps he is taking to improve social mobility. [904426]

8. **Michelle Donelan** (Chippenham) (Con): What steps he is taking to improve social mobility. [904433]

16. **Mr Simon Clarke** (Middlesbrough South and East Cleveland) (Con): What steps he is taking to improve social mobility. [904443]

The Secretary of State for Education (Damian Hinds): Since 2010, there are 1.9 million more children in good or outstanding schools and more disadvantaged children are going on to university. Our plans to make further progress include £72 million for 12 opportunity areas and £50 million on improving early language and literacy.

Mr Jones: Youth unemployment in my constituency has fallen by 72% since 2010. If we are to build on that progress, will my right hon. Friend set out how we can

support the schools that are underperforming, so that young people, wherever they live, have the best opportunity to make the most out of their lives?

Damian Hinds: My hon. Friend is right to highlight the dramatic falls in unemployment and youth unemployment. In his constituency, there have been over 7,000 apprenticeship starts since 2010. He is absolutely right that it is very important that all schools are able to share in the improvements in education outcomes, and it is very important that the support is there to do that.

Michelle Donelan: Breakfast is the most important meal of the day, and I strongly welcome the £26 million to support breakfast clubs. Wiltshire is not a deprived county, but it has pockets of deprivation, with some of my schools having two thirds of pupils on pupil premium. Would the Minister please clarify to the House how exactly deprivation areas will be determined?

Damian Hinds: The definition of areas of deprivation will include the opportunity areas that I mentioned a little earlier, as well as other areas according to the IDACI—income deprivation affecting children index—methodology. I cannot say off the top of my head exactly what the implication of that is for Chippenham, but I will be very happy to stay in touch with my hon. Friend.

Mr Clarke: Literacy underpins social mobility, and since 2013, the National Literacy Trust has run a fantastic hub in Middlesbrough. Will the Minister join me in paying tribute to the hub’s work and in particular my constituent Allison Potter? It has contributed to narrowing the early years development gap in the schools that it works with from 24.8% in 2013 to just 8.5% last year.

Damian Hinds: Indeed. Improving literacy is vital to improving social mobility, and our plans for a centre of excellence and a national network of English hubs will help with that. I am happy, of course, to pay tribute to the fantastic work done by the National Literacy Trust in its Middlesbrough hub and to my hon. Friend’s constituent.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): Three years ago, I launched the Liverpool to Oxbridge Collaborative to support the most academic students in schools in my constituency to give them the option of applying to either Oxford or Cambridge. What are the Government doing to support areas, particularly with high social and economic need such as Liverpool, to aim high for all their young people?

Damian Hinds: This goes to the heart of the Office for Fair Access and what the Office for Students will do, but it is also really important that universities—particularly selective universities—continue to redouble their efforts to make sure that they are reaching out directly, so that they are tapping into the full range of talents that are on offer throughout our country.

Layla Moran (Oxford West and Abingdon) (LD): If the Secretary of State is serious about improving access to top universities for students from poorer backgrounds, why is he not doing more to enact the findings on the National Audit Office report on higher education, which urged the Government to do more to provide high-quality, independent careers advice to 13 and 14-year-olds?

Damian Hinds: The hon. Lady is entirely right to identify the importance of independent careers advice. That goes for applications to university, for subject choice and for considering technical and vocational—as well as academic—routes, and that is why we are putting so much focus on it.

Dr Roberta Blackman-Woods (City of Durham) (Lab): The Secretary of State must understand that if we are to achieve social mobility, our schools have to be adequately funded. Because of funding cuts, Durham County Council is closing a school—the only school—in a disadvantaged village in my constituency. The young people there will feel undervalued, as will the community, so what will the Secretary of State do to ensure that that school stays open and that those children are given a real chance in life?

Damian Hinds: I totally acknowledge that it can be very unsettling and upsetting when a school closes like that. Of course, I am happy to discuss the particular case with her, but it remains the case that across the system we are holding the core schools budget constant in real per pupil terms.

Alan Mak (Havant) (Con): Having worked with Magic Breakfast for over five years, I share the welcome from my hon. Friend the Member for Chippenham (Michelle Donelan) for today's Magic Breakfast and school breakfast club funding. In addition to the money, will my right hon. Friend encourage partner schools to collaborate and share best practice to tackle social mobility challenges?

Damian Hinds: I pay tribute to my hon. Friend and constituency neighbour for all he has done on breakfast over an extended period, particularly with his Magic Breakfast connection, and I share his desire to make sure that best practice is shared across borders.

Carol Monaghan (Glasgow North West) (SNP): Scottish students from the most-deprived backgrounds are supported by a comprehensive financial package, including free tuition and bursaries, resulting in Scotland having the lowest university drop-out rate in the entire UK. Will the Secretary of State give serious consideration to mirroring the support given to Scottish students, including by abolishing the extortionate student fees, here in England?

Damian Hinds: The important things to note are that with our university financing system more young people, including from disadvantaged backgrounds, than ever are able to go to university, that universities are properly funded and that there is no cap on ambition.

Tracy Brabin (Batley and Spen) (Lab/Co-op): Social mobility is improved when families have access to Sure Start and children's centres, yet, in a damning report, the National Audit Office has revealed that the Government have cut spending on Sure Start by 50% in real terms since 2010, and we are still waiting for the long-overdue consultation on the future of children's centres. Will the Secretary of State tell us whether he believes that these cuts are good for social mobility and on what date he will publish the consultation?

Damian Hinds: The hon. Lady is entirely correct in identifying the importance of early years for children's development, social mobility and narrowing the gap, which is one reason we are putting so much more effort and money into early years and childcare, including through the extensions of eligibility for the two-year-old offer, which I think, bizarrely, she voted against last week.

Apprenticeships

4. **Jeremy Lefroy** (Stafford) (Con): What steps his Department is taking to promote apprenticeships. [904427]

11. **Sir Patrick McLoughlin** (Derbyshire Dales) (Con): What steps his Department is taking to promote apprenticeships. [904436]

The Minister for Apprenticeships and Skills (Anne Milton): We are using radio adverts, digital advertising, social media and telemarketing—the latest phase of marketing started at the end of January and will continue until the end of this month—and of course our national apprenticeship week, with its hundreds of events throughout the country, is also spreading the message. I should also point out that a legal duty on schools to allow in technical education providers was introduced in January.

Jeremy Lefroy: My right hon. Friend knows that Newcastle-under-Lyme, Stafford, Shrewsbury and several other very good colleges that provide excellent apprenticeships have not been awarded funding under the non-levy apprenticeships scheme. She has worked hard to find a way through this, but can I ask her for an update to ensure that those colleges can continue to provide apprenticeships in vital areas such as construction and engineering; otherwise there will be a bit of an apprenticeships desert in those areas?

Anne Milton: I know that my hon. Friend is a strong supporter of colleges in his area, but, as with any procurement, some bidders were unsuccessful. We have extended contracts for existing providers by three months to give employers and apprentices stability, and the main providers on the register of apprenticeship training providers can still deliver training directly to levy payers, to non-levy payers through subcontracting and to employers receiving transfers from April.

Sir Patrick McLoughlin: In 2009-10, there were 280,000 apprenticeships, and in 2016-17, there were 495,000, so we are moving in the right direction. What more can the Government do to lift the status of apprenticeships in schools, bearing in mind that most teachers come through a university route? Should Ofsted report on how schools are promoting apprenticeships when they do their examinations?

Anne Milton: My right hon. Friend is absolutely right that status is crucial to increasing the value that people place on apprenticeships. Having employers involved in the design of the new standards right up to degree level and making sure there is that 20% off-the-job training and that they last for a minimum of 12 months are all about raising the status and currency of apprenticeship qualifications. I make no apology for making sure we increase the quality of apprenticeships. It is not just about numbers; it is about quality.

Lucy Powell (Manchester Central) (Lab/Co-op): One of the key ways to promote apprenticeships is to maintain a broad curriculum in our schools. This was one of the key themes at the Association of School and College Leaders conference last week, where the CBI president said that children were missing out by being made to memorise facts and that the curriculum should prepare them for adult life. Does the Minister agree that the curriculum is narrowing to the detriment of children and our future economy?

Anne Milton: There is no doubt that we have one of the best curriculums in the world. What is absolutely crucial to the success of any technical education programme—that includes apprenticeships—is a solid foundation at school. That can be used as a springboard into other careers, possibly via apprenticeships.

Nic Dakin (Scunthorpe) (Lab): Knowledge of and access to apprenticeships relies on high-quality careers information, advice and guidance in schools. What are the Government doing to ensure that every young person is entitled to that information, advice and guidance, and that it stops being a rather dubious offer across the patch, as it is at present?

Anne Milton: The hon. Gentleman is absolutely right about the importance of good careers guidance. I am sure he has read the careers strategy that we launched at the end of last year, which uses the Gatsby benchmarks as a spine. Schools have a legal duty to enable technical education providers to go into schools. The Careers & Enterprise Company is doing fantastic work all over the country, and Members of Parliament also have a role to play: they, too, can go into schools and point out the opportunities that exist.

Jack Lopresti (Filton and Bradley Stoke) (Con): Does my right hon. Friend agree that apprenticeships are vital to maintaining and enhancing our sovereign defence manufacturing capability, and are a key driver of social mobility, especially in constituencies like mine?

Anne Milton: I completely agree with my hon. Friend. Apprenticeships represent a wonderful opportunity and are an important part of the mix.

Gordon Marsden (Blackpool South) (Lab): Last month the Minister wrote to the chief executive of the Institute for Apprenticeships with a long list of requirements—I have it here—for the delivery of degree apprenticeships and technical skills at levels 6 and 7. The chief executive has said he told the Minister that the IFA could not take on responsibilities for technical skills unless adequate additional resources were allocated. Given that the institute is scheduled to take on those responsibilities next month, what resources and extra funds has the Minister allocated to the chief executive here and now?

Anne Milton: I was with the chief executive of the IFA only about an hour ago. The institute is increasing its headcount substantially to ensure that it has the capacity to deal with the new T-levels that are coming on stream. This is a fantastic opportunity, and I look forward to working with those at the IFA. They know that they should tell me if they have any problems with resources, and we will then try to meet their needs.

Alternative Educational Provision

5. Mr George Howarth (Knowsley) (Lab): What steps he is taking to support alternative educational provision. [904428]

14. James Frith (Bury North) (Lab): What steps he is taking to support alternative educational provision. [R] [904440]

The Minister for School Standards (Nick Gibb): I, too, congratulate Andria Zafirako on winning the global teacher prize. I have met Andria. She is an inspirational teacher who is dedicated to her pupils, and she has a love of teaching and the profession.

On 16 March, we published a policy paper setting out our approach to the reform of alternative provision. We want to ensure that the right children are placed in AP, and that they receive a higher-quality education with better outcomes than is currently the case.

Mr Howarth: The Minister will know that, at its best, alternative provision can give young people an opportunity to get back on track, but that at its worst, in some cases, it is nothing more than childminding. He will also know that because of pressure on budgets, headteachers often take the cheapest option. Will he address that problem and ensure that schools have no incentive to send young people to alternative provision that is unsuitable and of no use?

Nick Gibb: The right hon. Gentleman is absolutely right. The GCSE outcomes of children in alternative provision are significantly worse than those of children outside it. Only 4.5% of pupils in AP achieve grade 4 or better in English and maths, compared with 65% of all other pupils. We have asked Ed Timpson to conduct an exclusions review to establish which groups of young people are being excluded from schools, focusing particularly on groups who are disproportionately excluded from mainstream education.

James Frith: I refer Members to my entry in the Register of Members' Financial Interests.

Some 56% of Bury schools that responded to my schools survey told me that they had been forced to cut special educational needs and disability provision because of school budget cuts. Does the Minister acknowledge that a bigger number does not mean more money per student, and will he commit himself to a real-terms per-pupil fair funding formula that encourages the inclusion of SEND pupils in mainstream schools?

Nick Gibb: We have increased high-needs funding from £5 billion in 2013-14 to £6 billion in 2018-19. It is up £130 million in 2017-18 compared with the previous year, and overall we are spending £1.3 billion more on school funding compared with under the 2015 spending review.

Knife Crime: Schools

7. Sarah Jones (Croydon Central) (Lab): What discussions she has had with the Home Secretary on reducing the number of children carrying knives at school. [904431]

The Parliamentary Under-Secretary of State for Education (Nadhim Zahawi): I commend the hon. Lady for her work as chair of the all-party group on knife crime and

for securing a debate on the subject last September. I assure her that the Department is committed to making schools as safe as we possibly can, and that is why we are working closely with the Home Office to reinforce the important message that it is totally unacceptable to bring knives into schools.

Sarah Jones: Knife-carrying in schools is up by 42% across the UK, yet in my constituency, and I expect across the country, at least three quarters of headteachers have had to cut staff, special needs provision and support such as mentoring, which are all crucial in preventing crime. Now that this epidemic has infiltrated our schools, will the Minister admit that school cuts are threatening our children's safety?

Nadhim Zahawi: The hon. Lady has heard from the Secretary of State regarding school finance, and all I would add is that the Department is working with the Home Office, and of course other stakeholders—the police, Ofsted, and the Health and Safety Executive—on updating our school security guidance to make clear the risks of carrying knives and to provide advice on dealing with this important issue. It is unacceptable to carry a knife in school.

Andrew Bridgen (North West Leicestershire) (Con): Will my hon. Friend join me in welcoming the award from the Home Office of £765,000 for the new anti-knife crime community fund, some of which will be spent on delivering knife-crime awareness sessions in schools themselves?

Nadhim Zahawi: I do welcome the Home Office's commitment to this, and I hope the Mayor of London will do the same for the schools of the hon. Member for Croydon Central (Sarah Jones) in Croydon.

Vicky Foxcroft (Lewisham, Deptford) (Lab): Youth violence is up and the number of mental health issues among young people is up, yet the number of qualified school nurses is down. The evidence shows that they can be part of how we address the root causes of youth violence. May we have qualified school nurses in every school as one step to tackle this issue?

Nadhim Zahawi: The hon. Lady knows we are making further investment in mental health in schools to make sure that every school is able to deal with the issue in an appropriate way.

Academy Orders

9. **Heidi Alexander** (Lewisham East) (Lab): How many schools in England subject to an academy order have not confirmed a sponsor. [904434]

The Minister for School Standards (Nick Gibb): There are currently over 2,000 open sponsored academies and, as of 1 February, 92 schools subject to an academy order were in the process of being matched to a sponsor. That involves brokering a relationship between a suitable academy trust and maintained school, and includes addressing any land or contractual issues. A school not having a confirmed sponsor is generally not due to the lack of a sponsor, but because of the time it takes to address those issues.

Heidi Alexander: The Minister might know that my interest in this matter stems from the number of years it took his Department to resolve the situation at Sedgehill School in Lewisham, which was not able to find a sponsor and instead has agreed a three-year school improvement partnership. If the Department is struggling so much to find sponsors for academies, why is this still a central plank of the Minister's school turnaround strategy?

Nick Gibb: Because we are not, across the system as a whole, struggling to find new sponsors. We have 7,000 academies now, most of which are converter academies, and they themselves are becoming the sponsors of underperforming schools across the system. This system is working. Secondary sponsored academies made the strongest improvements in 2016, despite facing the biggest challenge, and compared with 2015, the average attainment 8 score for sponsored academies improved by almost three attainment points, compared with 1.3 attainment points for maintained schools. The academies programme is working and is raising standards right across the system.

Private Tuition and Safeguarding

12. **Rachael Maskell** (York Central) (Lab/Co-op): What steps his Department is taking to ensure the effective safeguarding of children and young people receiving individual private tuition. [904437]

The Parliamentary Under-Secretary of State for Education (Nadhim Zahawi): It is ultimately the responsibility of parents to assure themselves about the suitability of any private tutor they might choose to employ before they engage them, for example by seeking and checking references, and asking to see a copy of any Disclosure and Barring Service certificate. It is a serious criminal offence to seek to work with children in a regulated activity after being barred from doing so.

Rachael Maskell: One in four children currently receive tuition outside school, but private and self-employed tutors do not have to undergo criminal records checks, which puts those children at serious risk. What is the Minister doing about that? Will he meet me to discuss a serious case in my constituency and to talk about why the law must change?

Nadhim Zahawi: I will certainly meet the hon. Lady to discuss the case about which she emailed us earlier today. I would be very happy to do that.

LGBT Awareness

15. **Ged Killen** (Rutherglen and Hamilton West) (Lab/Co-op): What steps his Department is taking to ensure that all schools teach awareness of LGBT issues in an age-appropriate manner. [904442]

The Minister for School Standards (Nick Gibb): Schools can currently teach about LGBT issues and must comply with the Equality Act 2010. We have established a £3 million programme on homophobic, biphobic and transphobic bullying. We are also engaging with stakeholders to develop age-appropriate and inclusive relationships education, and relationships and sex education. The response to the call for evidence will be published shortly.

Ged Killen: I thank the Minister for that answer. Following media reports of a school in London censoring textbooks that make reference to homosexuality, it is clear that more work is still needed. Will he agree to look at the recommendations of the Time for Inclusive Education campaign in Scotland to ensure that all young people receive an education that is fully LGBT-inclusive?

Nick Gibb: Yes, I would be very happy to look at that report. We are consulting on the content of relationships and sex education, and we will be publishing new guidance and regulations on that. We will consult on that. We have also introduced regulations to require schools to teach fundamental British values.

Student Retention: Higher Education

17. **Chris Law** (Dundee West) (SNP): What steps his Department is taking to increase student retention rates in higher education. [904444]

The Minister for Universities, Science, Research and Innovation (Mr Sam Gyimah): Our reforms will increase the chances of course completion. The introduction of a transparency duty, access and participation plans, and the teaching excellence and student outcomes framework will hold universities to account and help students to make informed choices about where to study and to get the best value for money.

Chris Law: The Higher Education Statistics Agency audit showed that 6.2% of first-time students in Scotland dropped out before their second year. That is not only the joint lowest figure on record, but the lowest in the UK. With Scotland leading the way, when will the Minister be coming north to Scotland for inspiration to enable him to think again about this Government's failings on student retention?

Mr Gyimah: Scotland is of course a beautiful country. Our reforms here have led to more disadvantaged people going to university than ever before. I agree with the hon. Gentleman that access should not just be defined as getting people into university. We want them to be successful there and to go on to achieve their aspirations. That is why, as part of our reforms, we are introducing access and participation agreements, which will be overseen by the new regulator, the Office for Students. These will ensure that universities are held to account for the success of disadvantaged students.

Kate Green (Stretford and Urmston) (Lab): Can the Minister explain to parents under the age of 25 in my constituency who are unmarried but cohabit why their household is not eligible for an adult dependant's grant while a similar household with a married couple would be?

Mr Gyimah: It sounds as though the hon. Lady is referring to a very specific issue. I would be happy to take it up with her afterwards.

Mr Speaker: The Minister could always put a copy of his reply in the Library for the delectation of Members of the House, if he felt so inclined. I am sure that we would all be deeply grateful.

Patrick Grady (Glasgow North) (SNP): Does the Minister accept that if we want to retain students not just through their undergraduate degrees, but into postgraduate studies and long-term academic careers, they will need to have confidence about the benefits and provisions that will come with that? To that end, what discussions is he having with the University and College Union and Universities UK about resolving the pensions dispute?

Mr Gyimah: The hon. Gentleman will be aware that an agreement was reached between the University and College Union and Universities UK last week. That agreement was brokered by the independent arbitrator, ACAS. I am disappointed that that agreement was rejected the next day, however, and I am urging both parties to get together to talk, because that is in the interests of students, especially at this vital time in their studies. The new regulator, the Office for Students, has wide-ranging powers to ensure that universities work to deliver for students. There is no mandate for strikes to disrupt exams.

Further Education Funding

18. **Gareth Snell** (Stoke-on-Trent Central) (Lab/Co-op): If he will undertake a review of the funding of further education. [904445]

The Minister for Apprenticeships and Skills (Anne Milton): As the hon. Gentleman is aware, we are undertaking a post-18 education and funding review—I am sure that he watched the Prime Minister announcing it up in Derby a few weeks ago. Alongside that, we are also looking at the efficiency and resilience of the further education sector. We need to ensure that existing and forecast funding, and regulatory structures, meet the cost of high-quality first-class provision.

Gareth Snell: Ministers make great play during these question sessions of the importance of social mobility, and there is no greater engine for social mobility in communities such as Stoke-on-Trent than properly funded and well-resourced further education. The City of Stoke-on-Trent Sixth Form College has seen its funding frozen in cash terms over the past few years, but rising costs and inflationary pressures mean that it has really seen a real-terms cut. What do the Government have against the colleges in my constituency?

Anne Milton: We have provided £4,000 for every 16 to 19-year-old and an additional £600 for every pupil studying maths above the baseline. We have invested £500 million into T-levels and £20 million into preparation for T-levels. The work that we have done with FE colleges—

Gareth Snell indicated dissent.

Anne Milton: The hon. Gentleman shakes his head, but it is true.

Mr Speaker: I do not think that the Minister should take it personally. Head shaking in the House of Commons is not a novel phenomenon; I believe that it has been going on for some centuries.

Kevin Foster (Torbay) (Con): As part of the review of FE funding, I am sure that the Minister will note the investment of more than £20 million at South Devon

College in Paignton into two schemes to drive technical education. Does she agree that a key aspect of the review will be to look how institutes of technology, such as the one at South Devon College, are being taken forward?

Anne Milton: My hon. Friend is right that institutes of technology will form an important part of the mix. I know that head shaking is common in the Chamber, but it should not distract us from the facts: we are putting in substantial amounts of money; we are undertaking a review of post-18 education; and FE is an important driver of social mobility.

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): Last week, Hull College Group announced the loss of 231 full-time equivalent jobs. It has told me that Government changes to funding for Jisc—an IT services company that provides free IT support to colleges—will set it back another £100,000, perhaps resulting in even more job losses. Will the Minister please reverse the decision, or at least provide some transitional funding so that FE colleges are not hit so hard?

Anne Milton: The changes to which the hon. Lady refers were important; this is about fairness and equity. As I have pointed out, a lot of money is going into FE colleges, but we are looking at the efficiency and resilience of the FE sector to ensure that the forecast funding and structures meet the costs of high-quality, first-class provision.

Funding: 16 to 19-year-olds

19. **Mike Amesbury** (Weaver Vale) (Lab): What assessment he has made of recent trends in education funding for 16 to 19-year-olds. [904446]

The Minister for Apprenticeships and Skills (Anne Milton): As I have pointed out, we have protected the base rate of funding for 16 to 19-year-olds until 2020, and we will invest £500 million extra a year into T-levels. I have asked my officials to assess how far the current funding system meets the costs of high-quality provision in the further education sector and will update the House shortly.

Mike Amesbury: Last week, Warrington and Vale Royal College announced its intention to close the campus at Northwich in my constituency—with 56 job losses and 300 students displaced—citing severe financial pressures and the Government's area-based review. Will the Secretary of State or the Minister agree to meet with me, the staff and some of the students affected, and hopefully reverse the decision?

Anne Milton: I am happy to meet the hon. Gentleman. I should point out, because not everybody understands it, that colleges are independent bodies. I understand that Warrington and Vale Royal College recently took a view that the Hartford campus in Northwich was unviable and that provision should be transferred to create a more efficient offer at other sites, with travel support provided to learners. The issue arose from difficulties in recruiting learners, not budget cuts.

Tony Lloyd (Rochdale) (Lab): Hopwood Hall College in Rochdale has achieved some remarkable results. Towns such as Rochdale are more dependent on further education and less dependent on the university system. Will the Government recognise that the differential in funding in further education holds back young people from the most-deprived areas, who need skills training more than anybody else?

Anne Milton: One reason why we are undertaking a post-18 review of education and funding is to make sure that all people, no matter where they come from or what part of the country they live in, have access to high-quality education, be that in HE or FE.

Topical Questions

T1. [904451] **Wera Hobhouse** (Bath) (LD): If he will make a statement on his departmental responsibilities.

The Secretary of State for Education (Damian Hinds): Andria Zafirakou has already been mentioned a couple of times today, and I know the whole House will want to congratulate her on having been awarded the global teacher prize this weekend, beating 30,000 entries from 173 countries.

This Government are committed to supporting all teachers to make sure that children get a world-class education. This month, I announced that we will develop a plan on workload, professional development, flexible working and entry routes into teaching. On Friday we launched the children in need review, to develop the evidence on what makes a difference to children's educational outcomes so that more children can get a better start in life. I am also today announcing an investment of up to £26 million to boost breakfast clubs in more than 1,700 schools in some of the most disadvantaged areas, complementing our expansion of eligibility for free school meals.

Wera Hobhouse: In the light of the recent racist incident in one of our schools in Bath, does the Minister believe the safeguarding policies, procedures and processes in our schools are strong enough, and that the Ofsted inspection regime is adequate in respect of safeguarding?

Damian Hinds: I was truly shocked to read of the incident to which the hon. Lady refers. Such incidents, and racism in general, must of course have no place in our schools or our country. Schools have to have a policy setting out measures to encourage good behaviour, including the prevention of bullying, and where there are serious concerns, Ofsted has powers to inspect any school without notice.

T2. [904452] **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): Shrewsbury College has an outstanding reputation for providing high-quality apprenticeship programmes, yet it was unsuccessful in the latest non-levy apprenticeship tender process, which will put the college and students at a disadvantage. It caters for a huge geographical catchment area, and Ministers and officials need to think again about this.

The Minister for Apprenticeships and Skills (Anne Milton): This is not a situation we wanted to be in, but we are obliged to undertake these procurement exercises. There were 1,046 bids, for £1.1 billion. Some 700 of those

bids were successful and got a total of some £490 million. We have put in transitional arrangements for existing providers that were unsuccessful, giving employers and apprentices stability. As I pointed out to my hon. Friend the Member for Stafford (Jeremy Lefroy) earlier, those providers can still access apprenticeship funding by delivering training directly to levy payers, to non-levy payers through subcontracting and to employers receiving transfers from April.

Carol Monaghan (Glasgow North West) (SNP): The pensions dispute ground universities to a halt last week. The Secretary of State will be aware that there is a proposal on the table to underwrite the universities superannuation scheme. Although this matter is reserved, the Scottish Government have said that they will give consideration to the proposals from the University and College Union. Given the talk of further disruption, will he commit to doing the same?

The Minister for Universities, Science, Research and Innovation (Mr Sam Gyimah): As I mentioned in my earlier answer, the agreement on the table was brokered between both parties by ACAS. The dispute is between the universities, which are autonomous organisations, and the lecturers. This is a private pension scheme and one of the country's largest, with nearly 400,000 members and more than £61 billion in assets. The cost to the taxpayer of underwriting such a scheme could be significant, and any further Government involvement in supporting the USS would need to be considered very carefully.

T4. [904454] **Lucy Allan** (Telford) (Con): I know the Minister shares my concern about the horrific sexual exploitation of young girls in Telford. Is he aware of any national inquiry that will specifically investigate all aspects of current and historical cases of child exploitation in Telford?

Damian Hinds: I share my hon. Friend's concerns; it is a terrible case, and tragically not the first of its type. I will write to ask the chair of the new national child safeguarding review panel to look at the places where these appalling crimes have happened, such as Rotherham, Oxfordshire and, indeed, Telford, and to report on whether lessons have been learned and practices improved right across the system.

Angela Rayner (Ashton-under-Lyne) (Lab): Last week, the Secretary of State was forced to extend the childcare voucher scheme by six months in order to survive the vote on it that we called. I tried to get some answers last week, but the Secretary of State has given us no clarity on what will happen next. Will he come back to the House with an oral statement and give us a meaningful vote before the scheme ends?

Damian Hinds: The move to tax-free childcare is of course a Treasury and Her Majesty's Revenue and Customs policy rather than a Department for Education one, but we made it clear in last week's debate that there would be an extra six months to look into transitional considerations.

T5. [904456] **Bim Afolami** (Hitchin and Harpenden) (Con): Will the Minister explain the Government's approach to special educational needs funding in Hertfordshire

and other areas? There is concern in many quarters that additional funding allocated to children with special needs is not being adequately ring-fenced at a local level.

The Parliamentary Under-Secretary of State for Education (Nadhim Zahawi): We have increased high needs funding, including by an additional £130 million this year. Local authorities are responsible for their high needs budgets. I have not heard wide concerns about funding not being used to support special educational needs, but I am of course happy to meet my right hon. Friend to discuss the matter further.

Mr Speaker: The hon. Member for Hitchin and Harpenden (Bim Afolami) has just been elevated by the Minister to membership of the Privy Council. That makes him the first of his intake, and he must be deeply grateful.

T3. [904453] **Mr Jim Cunningham** (Coventry South) (Lab): I do not think the answer that the Minister for Universities, Science, Research and Innovation gave on the pensions dispute at universities was good enough. He cannot sit on the sidelines; he should be doing something to resolve the situation rather than going up and down the country giving lectures on behalf of the Conservative party.

Mr Gyimah: The Government have not been sitting on the sidelines. We have made sure that we have been in touch with all the interested parties. Our prime concern is obviously for the students, whose education is at stake. It is up to the universities, as the employers, to negotiate with the lecturers as the employees. A deal brokered by ACAS is on the table. At the heart of the dispute is the valuation of the pension scheme, and part of the deal is an independent valuation of the pension scheme in the months ahead, which is why I am disappointed that the deal was turned down the next day. I urge all the parties to get together and to keep negotiating to resolve the matter.

David Evennett (Bexleyheath and Crayford) (Con): I welcome the news that up to £80 million will be invested in helping small businesses to recruit apprentices. How and when will small businesses be able to apply for that funding?

Anne Milton: It is very good news. As my right hon. Friend will be aware, the Government will already pay 90% of training costs for small businesses. We will announce in due course more details on how that money will be distributed.

T6. [904457] **Gareth Snell** (Stoke-on-Trent Central) (Lab/Co-op): Headteachers throughout Stoke-on-Trent have told all three of our city's MPs that they have never quite felt the pinch like they feel it now. Class numbers are rising, support staff posts are being left vacant and the purchase of new equipment is being put on hold, yet if we listen to the Secretary of State we are led to believe that schools have never had it so good and that money is flowing in. Given that the two statements cannot be reconciled, will the Secretary of State say who he believes is inadvertently misleading Members?

Damian Hinds: There is no actual or inadvertent misleading of the House. It is a fact that across the system the core skills funding budget will go up from £41 billion this year to £43.5 billion in a couple of years' time. Beyond that, the national funding formula seeks to correct some of the long-standing imbalances in the system. I was pleased to visit Stoke recently and meet some of the outstanding headteachers who operate in the hon. Gentleman's area. Funding has been tight for schools and there have been cost pressures over the past couple of years, and we stand behind headteachers and do everything we can to support them.

Rachel Maclean (Redditch) (Con): The University of Cambridge's announcement that it will now offer apprenticeships has put a quality stamp of approval on that educational route. Does my right hon. Friend agree that it is important that children from all around the country, including from schools in Redditch, are encouraged to apply? Does she agree that the "Opening Doors" programme, which brings children from Ipsley middle school in Redditch to local business MSP Ltd, is key to the raising of aspirations?

Anne Milton: I congratulate my hon. Friend on what is going on in her local area; it sounds excellent. A degree apprenticeship is a wonderful way for students to earn while they learn, get a degree, come out at the end of it with several years' work experience and, probably, be way ahead of their contemporaries who did an undergraduate degree.

T7. [904458] **Stephen Lloyd (Eastbourne) (LD):** A few weeks ago I had the privilege of meeting the father of Oliver King and founder of the Oliver King Foundation. His young lad, Oliver, died at school. His father's ambition is to get a defibrillator in every school, because the work that the foundation has done identified that that would save the lives of many, many hundreds of people. Will the Government commit to supporting a defibrillator in every school?

The Minister for School Standards (Nick Gibb): We have funded a considerable number of defibrillators in schools, and we are working with the British Heart Foundation to provide facilities for schools to teach first aid and lifesaving skills in schools.

Huw Merriman (Bexhill and Battle) (Con): Pay rises for teachers in schools in my constituency would be most welcome, but there is a concern that those rises will have to be met from the increase in funding that was delivered to schools in the summer. Are there plans, like there are with the NHS, to find a budget outside the existing school funding formula for those pay rises?

Damian Hinds: The teachers' pay review body is deliberating at the moment. We have already given our evidence, as, of course, have the consultees. I point out that, since the spending review, an additional £1.3 billion has been found for school budgets.

Thangam Debbonaire (Bristol West) (Lab): Can the Minister tell us how many children with special educational needs or a disability will not have an education and healthcare plan by the Government's deadline of 1 April?

Nadhim Zahawi: Our aim is that every child will have a plan in time. Those who do not can be assured that their support will be maintained, but most local authorities are on target to deliver the health and care plans.

Tom Pursglove (Corby) (Con): Over the weekend, I raised the issue of the passporting of childcare payments by Northamptonshire County Council to local providers. I am very pleased that a solution has been found. I am grateful to Ministers for their support and their interest in this issue, but will they join me in thanking the staff of children's services at Northamptonshire County Council for listening to the concerns and solving this matter so rapidly?

Nadhim Zahawi: I certainly join my hon. Friend in his thanks, and I would actually like to meet him to look at what other support we can provide. I also commend the director of children's services at Northamptonshire County Council for doing an excellent job in very difficult circumstances.

Clive Efford (Eltham) (Lab): Based on Government statistics, 63 schools in my borough will lose funding of £300,000 per annum between 2015 and 2020. Can the Minister tell me what happened to the Prime Minister's promise to maintain pupil funding?

Nick Gibb: No school in the country will lose funding under the new national funding formula. The minimum that schools will receive is an extra 0.5% increase, and that will be for schools that have been receiving more than that funding formula would produce. Therefore, no school will lose funding. As my right hon. Friend the Secretary of State has said, there have been cost pressures in recent years, but we are helping schools to deal with them through school efficiency advisers and buying schemes to enable them to marshal their resources as efficiently as possible.

Tim Loughton (East Worthing and Shoreham) (Con): Recent figures from the Department show that, last year, 4,350 children were adopted in England. That is a near 20% decline from the peak in 2015. Why are adoptions in decline?

Nadhim Zahawi: The Government are working with the sector via the Adoption Leadership Board to address the issue of adopter numbers early on, to ensure that there remain enough approved adopters for children who are waiting.

Daniel Zeichner (Cambridge) (Lab): Parents whose children use the Fields children's centre in Cambridge are seeing hours at the nursery cut, the baby room closed, and parents being encouraged to ask their employers to amend their working hours to fit the reduced hours. How does the Minister expect parents and families to cope when he is making their lives so much more difficult?

Nadhim Zahawi: The experience around the country does not reflect the hon. Gentleman's view. The opposite is happening. Parents are getting places, especially under the 30 hours a week of free childcare for three and four-year-olds. Almost 300,000 children are now taking up those places, as we announced last week.

Jeremy Lefroy (Stafford) (Con): Last week I had the honour of chairing in Westminster the second annual Stafford schools debating competition. The standard was excellent, and I pay tribute to Councillor Carolyn Trowbridge and Sam Phillips for their work in organising the competition. What is the Department doing to encourage public speaking and debate in schools across the country?

Damian Hinds: I join my hon. Friend in commending his constituents who organised this great event. It is true that public speaking, debating and other such activities are really important for developing a rounded young person—the character development that we all want to see. Members of Parliament can also play an important role in this, and many run their own events.

Mr Speaker: Yes, and I look forward to visiting the constituency of the hon. Member for Stafford (Jeremy Lefroy)—I think in his company—very soon. I imagine that his constituents will roll out the red carpet for him; he will be pleased to know that they certainly will not be expected to do so for me.

John Cryer (Leyton and Wanstead) (Lab): Did the abolition of the education maintenance allowance contribute to or hinder social mobility?

Damian Hinds: With the alternative funding that was put in place, it was possible for sixth-form colleges to do other things to ensure that they were attracting the full range of students. More disadvantaged youngsters are going on to university than ever before.

Karin Smyth (Bristol South) (Lab): Last week I opened the extension to the Knowle West children's centre. The previous week the local further education college, City of Bristol College, hosted my apprenticeships fair. Both sectors are telling me that they are desperately short of funding due to cuts. What assessment do the Government make of children's outcomes as a result of the current funding cuts?

Nadhim Zahawi: Local authorities are responsible for how they deliver support to families, through children's centres as well as other support. Many authorities are focusing on getting support directly to families rather than investing in bricks and mortar.

Michelle Donelan (Chippenham) (Con): The pupil premium is an important source of funding to level the playing field and improve social mobility. I have asked a number of questions about ensuring that all those who are eligible receive the pupil premium, and about improving its scope. Does the Minister now agree that it is time that we had a review of the pupil premium?

Damian Hinds: My hon. Friend is entirely correct that the introduction of the pupil premium made an important structural change in how we do these things, by ensuring that the additional resourcing follows the pupils who need it in so that we can narrow the gap. It is also right that we keep these things periodically under review, as she suggests.

Several hon. Members *rose*—

Mr Speaker: The hon. Member for St Helens South and Whiston (Ms Rimmer) is belatedly bobbing, but I am not psychic. It helps to bob all along, if you want to be called.

Ms Marie Rimmer (St Helens South and Whiston) (Lab): Thank you, Mr Speaker.

What plans do the Government have to support the 1.4 million children and young people affected by the decision to discontinue the specialist contract for speech, language and communication needs?

Nadhim Zahawi: We are currently in negotiations with the Communication Trust. We are looking at whole-workforce training to ensure that we deliver better quality outcomes for children with speech and other disabilities.

Kevin Foster (Torbay) (Con): I welcome the news of the £26 million investment in breakfast clubs. How will my right hon. Friend ensure that the most disadvantaged children benefit from that, particularly in coastal communities?

Damian Hinds: We are using the IDACI—income deprivation affecting children index—methodology, as I mentioned earlier to my hon. Friend the Member for Chippenham (Michelle Donelan), to ensure that this investment goes specifically to the most disadvantaged areas, where it can make the most difference.

Several hon. Members *rose*—

Mr Speaker: I will call the two Members who have not been heard in this session—first, Diana Johnson.

Diana Johnson (Kingston upon Hull North) (Lab): Thank you, Mr Speaker.

When does the Minister intend to announce the date for issuing the criteria for the pilots to address holiday hunger that were announced just a few weeks ago? Hull is champing at the bit to make its application.

Nadhim Zahawi: We have done some excellent work on this, and an announcement is imminent.

Jack Dromey (Birmingham, Erdington) (Lab): Michelle Gay, headteacher of Osborne Primary School, was in tears when she told ITV just how tough it is to be one of the 361 schools in Birmingham suffering real-term cuts while trying to give kids in one of the poorest and most deprived constituencies in Britain the best possible start in life. Headteachers have asked to meet the Secretary of State personally so that they can bring home to him just how tough it is becoming. Will the Secretary of State be generous and agree to meet them?

Damian Hinds: As I said earlier, real-terms per-pupil funding in the core schools budget is being maintained across the system, but two things are overlaid on that. First, there is the application of the national funding formula to correct historical imbalances; and secondly, of course, local authorities play a part in reflecting local circumstances. I do acknowledge that with the cost pressures that there have been, things have been tight in school budgets. I will be happy to meet the hon. Gentleman and his constituents.

Money Laundering

3.34 pm

John McDonnell (Hayes and Harlington) (Lab) (*Urgent Question*): To ask the Chancellor of the Exchequer if he will make a statement on the Government's action to address dirty money being laundered in the UK.

The Minister for Security and Economic Crime (Mr Ben Wallace): I thank the shadow Chancellor for giving the Government the opportunity to come here today to say what they have been doing on dirty money and money laundering in the United Kingdom. It is a long list, Mr Speaker, so I ask you to have a bit of patience and I will try to be as quick as possible in reading it.

We have made it harder for crooks to launder money through property, jewellery and betting. We have reversed the burden of proof so that people we think have links to organised crime have to prove where their assets come from. If they cannot prove it, we will seize the asset and dispose of it, or keep it to distribute it to countries where it may have been stolen. We have, for the first time, through the Magnitsky amendment made it possible to confiscate assets from people guilty of gross human rights abuse. We will complete that with an amendment to the Sanctions and Anti-Money Laundering Bill currently going through Parliament. I pay tribute to my right hon. Friend the Member for Sutton Coldfield (Mr Mitchell) and the right hon. Member for Barking (Dame Margaret Hodge), who actually led the campaign on the Magnitsky amendment, not Labour Front Benchers.

We have made it easier to seize criminals' money from bank accounts. We have introduced new powers to be able to freeze terrorists' assets, and we did so on the very day that the provision came into force. We have made it a criminal offence to fail to prevent tax evasion, both at home and overseas. We are currently exploring the potential of widening other areas where failure to prevent may apply in economic crime.

We have brought a number of prosecutions under the Bribery Act 2010 of those involved in bribery, and we have had the first conviction of a company for failing to prevent bribery. [*Interruption.*]

Mr Speaker: Order. There is quite a lot of noise. I know that the Minister is keen to rattle through, and we are deeply obliged to him for doing so, but I just say very gently to him that there is no prohibition on breathing during the delivery of an answer to an urgent question.

Mr Wallace: We introduced deferred prosecution agreements to ensure that we maximise incentives for companies to face up to fraud and corruption. We are setting up the National Economic Crime Centre within the National Crime Agency. We have brought together the many strands of economic crime under one Minister—namely myself. We have bolstered the Serious Fraud Office by ensuring access to blockbuster funding so as to ensure that big business and overseas oligarchs cannot use their wealth to obstruct justice. The previous Prime Minister, David Cameron, initiated an international anti-corruption summit. In response to the Panama papers, we established a joint financial analysis centre within the NCA. We have established one of the world's

first public registers of beneficial ownership of companies. We have helped to establish in all overseas territories and Crown dependencies a register of beneficial ownership, with mutual and, in some cases, live-time access to law enforcement. We have committed to establishing a public register of overseas owners of property in the United Kingdom.

This Government have taken real steps to tackle criminal finance in this country. Whoever the crooks are, wherever they are from, and no matter what their nationality, we will pursue them and their cash.

John McDonnell: I thank the Minister for his response.

Twelve months ago, I raised in an urgent question the issue of the Russian laundromat, as it was called, laundering £20 billion of criminal funds through the City of London. Despite all that the Minister has said, the National Crime Agency estimates that £90 billion from the rest of the world is still laundered through the City each year, while the United Nations estimates that \$100 billion has been lost in the British overseas territories. Despite all the actions that he set out, there is still a major problem. At the weekend, the Government said that they would enter into "detailed discussions" on further reform proposals. I therefore have a number of questions to ask the Minister.

Let me be clear: we welcome the Government's new willingness to incorporate Labour's proposals for Magnitsky measures to be included in the Sanctions and Anti-Money Laundering Bill, but we would welcome, in the spirit of co-operation, full and thorough discussion of the final drafting of the new clauses and amendments. We all agree that there is a need for complete openness and transparency in our financial system if we are going to be effective in tackling money laundering. Back in 2015, the Government initially promised, following two consultations, a date for a register of owners of UK property based overseas. After repeated delays, why are we now told that a register will not be published until 2021? There is minimal checking of the UK's own register of company ownership. Indeed, it was possible for a journalist to set up a company called Crooked Crook Ltd. Have the Government undertaken an assessment of the number of fraudulently registered companies in the UK? If not, when will they do so?

In the recent Sanctions and Anti-Money Laundering Bill Committee, the Government justified their lack of action on foreign trust or company service providers by saying that they were lower risk than the UK's own trust or company service providers. In the light of the most recent evidence of money laundering via overseas TCSPs, will the Government revisit that assessment?

Why have the Government not included trusts in the register of beneficial ownership, as Labour has so long asked for? Given the concerns about corrupt funds being laundered through properties in the UK, will they now consider including Labour's proposal for an offshore company property levy in their reforms? Will they finally join Labour in accepting the need for public, transparent registers for overseas territories and Crown dependencies?

Finally, 634,000 suspicious activity reports have been filed since October 2015. What will the Government now do to ensure that the enforcement agencies are fully resourced to tackle this scourge on our society?

Mr Wallace: This is interesting, because we have done a lot of work on criminal finance. I have stood at this Dispatch Box on numerous occasions, and the Government have taken many pieces of legislation through the House. The Treasury has also stepped up to the plate. Indeed, it has its own levy: where a property is bought by an overseas company or a UK company, it attracts an extra high level of stamp duty of 15%, which of course matches the levy that the right hon. Gentleman is talking about.

We have committed to a public register of overseas ownership of property, and we will introduce the Bill in 2018. We have to make sure that this is right. *[Interruption.]* The Opposition shout, but the reality is that we are taking many steps to deal with criminal finance, and there are only so many months in the year. We should not forget that, as we saw over the weekend, this is really a distraction by the Labour party from its woeful response last week to our national security.

This is an attempt by the shadow Chancellor to say, “Nothing to see here. Look over there—it’s all about oligarchs.” Before coming to the Chamber, I looked up in *Hansard* when the shadow Chancellor last mentioned oligarchs. The last time he mentioned them was in 2016, in a debate on the schools White Paper, in which he talked about the tax rate for cleaners. He should raise that with *Hansard* if he would like to.

The reality is that this Government and the coalition Government have been absolutely determined to deal with the threat posed by dirty money going through the City of London and being harboured here in a number of properties. The best example of how we have done the work in this House and how this is all last-minute Labour is that one of the complaints they made over the weekend was that unexplained wealth orders were not used by this Government. An unexplained wealth order was used in under two weeks of coming into force on 31 January. It was served against an overseas oligarch, on £22 million of property. That was action within a fortnight, contrary to the Labour party’s idea that no unexplained wealth orders have been issued. The other measure introduced by that Bill was used before midnight on the first day. I suggest that Labour does its homework, tries to put right its disaster of last week and stops trying to distract from the reality about the Russian threat.

Several hon. Members *rose—*

Mr Speaker: Order. A very large number of hon. and right hon. Members are seeking to catch my eye, but I remind the House that there are two further urgent questions to follow, meaning that there is a premium now upon brevity, which, as always, will be brilliantly exemplified by Sir Desmond Swayne.

Sir Desmond Swayne (New Forest West) (Con): How much have we secured since the implementation of the Proceeds of Crime Act 2002?

Mr Wallace: My right hon. Friend asks a pertinent question. It is well over £1 billion—it is about £1.6 billion, I think, and it has increased in the last few years. We have been determined, through the use of confiscation orders and the provisions we used to improve the Act through the Criminal Finances Act 2017, to start increasing the seizure and freezing of assets, to make sure that criminals lose their ill-gotten money.

Stewart Hosie (Dundee East) (SNP): I welcome what the Minister said about the Magnitsky amendment, but can he confirm that it will be genuinely tough and will allow the authorities to seize money very quickly? When does he intend to take action on Scottish limited partnerships, which are one of the main routes for filtering dirty money into the UK and laundering it? In addition, when will he finally fix the loopholes at Companies House, where to all intents and purposes absolutely no due diligence is done when a new company is registered?

Mr Wallace: The hon. Gentleman is doing exactly what Scottish National party Members did during the passage of the Criminal Finance Act, which was to work with us and make some sound suggestions about how to tackle criminal finance. We listened to them—for example, we lowered the thresholds of unexplained wealth orders to fit with some of the concerns in Scotland. I have taken up the issue of Scottish limited partnerships—the Department for Business, Energy and Industrial Strategy is driving forward that work—because, like the hon. Gentleman, I realise that it has to be tackled.

When it comes to a Magnitsky Act, I give the hon. Gentleman the absolute assurance that we will deal with anyone convicted of gross human rights abuses, whether through sanctions, seizing their assets if they are obtained criminally or controlling their movements through visa bans and any other measures. The intention of this Government is to make life incredibly hard for people who have committed human rights abuses and to prevent them and their families from enjoying the benefits they currently enjoy should they come to Europe to spend the money.

Mr Jonathan Djanogly (Huntingdon) (Con): I congratulate the Government on moving towards supporting the Magnitsky amendment. There are three elements to such an amendment: first, asset seizures; secondly, visa bans; and thirdly and very importantly, a public list of named individuals. A public list makes it difficult for those named to access finance, and encourages others not to get on the list. Will the Minister set out his position on a public list?

Mr Wallace: My hon. Friend makes a very sound suggestion about a public list. As hon. Members will know, the Government are consulting within the various Departments on how to make sure that the amendment we put forward actually makes a difference. That is why we opposed the Labour proposal in Committee: it was not because we disagreed with having a Magnitsky amendment, but because we wanted to make sure we had one that worked. *[Interruption.]* Labour Front Benchers are saying, “Point of principle”. Would they rather we accepted a flawed amendment that did not do the job, or would they like this Government to deliver action, as we have done with unexplained wealth orders, by getting the law right in the end?

Dame Margaret Hodge (Barking) (Lab): I acknowledge that the Government have taken some steps, but I put it to the Minister that they have not taken enough. Others have raised the issues of property and of our tax havens, and I want to raise another issue with the Minister, which is the tier 1 investor visas—the golden visas. Anybody who wants one of those visas needs to demonstrate that

[*Dame Margaret Hodge*]

they have £2 million they wish to invest in the UK, and we know that Russia is one of the two top countries taking advantage of tier 1 investor visas. What steps will the Minister take to enable us to understand where the £2 million-plus comes from, so that we can be assured it is not dirty money and that these are not unsavoury individuals?

Mr Wallace: Not for the first time, the right hon. Lady makes a very good suggestion. When it comes to dealing with foreign oligarchs and serious organised criminals from overseas, we are clear that this is as much about the free movement they enjoy as about the actual assets they are moving around and harbouring. We already have the powers in our visa regime to take action, and as she quite rightly says, we will be looking at that tier to make sure we do better due diligence, if we need to, on where the money comes from.

In all of this we must be clear that the difference between us and, for example, Russia is that we believe in the rule of law. Under the Equality Act 2010, we cannot talk about Russians in a blanket fashion; we have to recognise that there are certainly legitimate Russians and other people from overseas who come here to invest in this country, and I am sure the shadow Chancellor would not like us to break the Equality Act. We have to make sure that we act on the basis of evidence. We will do so, and where we find wrongdoing, people will be refused a visa.

Julian Knight (Solihull) (Con): Will the Minister confirm that the UK was the first country in the G20 to introduce a register of company beneficial ownership, and that we rank as one of the most efficient countries in terms of tax collection in many international league tables?

Mr Wallace: Yes. The tax gap is the lowest it has ever been, and much lower than it was under Labour. We have recovered a record amount of tax that should have been gathered—£160 billion over the past few years—and that has been a major contribution to the coffers. On the register of beneficial ownership, this country has led the way. David Cameron set out his ambition for the Government, and it is still the ambition of this Government. We have led the way, and now Montserrat, one of the overseas territories, also has a public register of beneficial ownership. The key is that the territories all have a register, and it is our ambition for them to be public, but in the meantime our leadership is starting to make a difference around the world.

Ms Angela Eagle (Wallasey) (Lab): My right hon. Friend the Member for Barking (*Dame Margaret Hodge*) asked an extremely important question, to which she did not get an answer from the Minister. I wonder if we can try again. What changes are the Government planning to make to the due diligence for the golden visa, which establishes that someone must have £2 million they are investing in the UK before they get access to free movement here? What changes are the Government going to make to check that that money is clean? He did not answer—answer now.

Mr Wallace: The hon. Lady will know that there are numerous registers for people's money. CIFAS and a range of other organisations record people who have

been involved in fraud and other criminal actions. There are also the Government registers, such as the police national computer. We will continue with diligence based on applications for visas. [*Interruption.*] Members need to come to the House and say, "This person was allowed in based on their £2 million and we have prima facie evidence that they should not have been." We will base it on evidence. Where we find evidence that someone got the money through the wrong means, they will not be allowed a visa to come into this country.

Rebecca Pow (Taunton Deane) (Con): Will my right hon. Friend update the House on how the swift application of unexplained wealth orders under this Government is making a significant difference in tackling money laundering and terrorist finance, thereby demonstrating how seriously the Government take the issue?

Mr Wallace: When an unexplained wealth order is made, the National Crime Agency or the Serious Fraud Office, for example, goes to the court to apply for it. A judge can give a period of time for the person to respond to the charge that the law enforcement agencies have made. If they cannot, we move to seizure. Usually, at the same time as an unexplained wealth order is applied for, we also apply for a freezing order to make sure that the person does not move the money or the property when the order is made. We believe that it is a very important tool and there are many more in the pipeline. We used it within 14 days of it coming into law on 31 January.

Mr George Howarth (Knowsley) (Lab): Does the Minister share the concern voiced by some that online platforms are being used for the purposes of money laundering? Will he ensure that the regulatory bodies and agencies concerned in the UK have all the necessary resources and the agility to counter that problem?

Mr Wallace: The right hon. Gentleman makes some important points. The first is about the development of new technologies, such as platforms and cryptocurrencies, which all present a challenge for law enforcement agencies around the world. The Governor of the Bank of England recently commented on that, and it is something that we will all have to think through. There is no easy answer on some of them.

On the issue of regulation and supervision, we are obviously working closely with the Financial Conduct Authority and Her Majesty's Revenue and Customs—the tax authorities—to make sure that we spot when people move money without paying tax. It is also important to gather evidence from that movement. Of course, this country is bound by a number of directives on money laundering that we follow. We are currently subject to the Financial Action Task Force inspections on how we deal with money laundering. That leads to an independent international report that judges and ranks us. All hon. Members are welcome to comment on that and we will be held to account.

Tim Loughton (East Worthing and Shoreham) (Con): When the Home Affairs Committee looked at this issue in 2016, witnesses pointed to a lot of hot Russian money in the London property market, yet out of 1.2 million property transactions in that year, only 355 suspicious activity reports were raised. There were problems with

the fragmented regulatory landscape. Will my right hon. Friend tell us what progress has been made by the NCA-led joint money laundering intelligence taskforce in coming up with a more joined-up approach to this issue?

Mr Wallace: My hon. Friend asks a very good question. In fact, one of the first things I did when I became the Minister for Security and Economic Crime was to use the Home Affairs Committee report to hold the Department to account and ensure that we put right some of the things that clearly had not happened in the area of asset recovery. On SARs reform, it is worrying that SARs predominantly come from the banks—about 83% of them—and only the rest come from the facilitators. I have been determined, as has the director general of the NCA, to start focusing on the facilitators. It is the lawyers, accountants and people who sell things like boxes at football stadiums and Bentleys around the world who need to do more to report suspicious activity. When they do, we will stop it.

Mr Alistair Carmichael (Orkney and Shetland) (LD): May I take the Minister back to the question that the hon. Member for Huntingdon (Mr Djanogly) put to him? Have the Government compiled a list of politically exposed people from Russia, such as First Deputy Prime Minister Igor Shuvalov, who could be the subject of unexplained wealth orders? If they have such a list, will it be published and will the Minister give us a timetable for its implementation?

Mr Wallace: The right hon. Gentleman knows that I will not come to the House and publish the names of individuals who may or may not be the subject of an investigation or of operations against them because it could threaten our ability to have an effect on them. Needless to say, we are determined to ensure that we use intelligence-led policing to find money and deal with those individuals, whether they are from here or abroad.

Nigel Huddleston (Mid Worcestershire) (Con): These crimes can be horrendously complex. Can we be confident that the SFO, the NCA and other bodies have the skills and resources to investigate them properly?

Mr Wallace: Yes. As I said at the beginning, one of the challenges of taking on people with deep pockets or large corporations is that they have no qualms about setting off to the Supreme Court or the High Court to challenge us. We are keen to ensure that we support the NCA with unexplained wealth orders, because some of the people to whom they serve them have a brass neck and are happy to challenge us. That is why we put in blockbuster funding for the SFO, which means that when there is a case of significant scale, it can access funding directly from the Treasury to ensure that money is not a barrier to taking on some of those very bad people.

Liz Kendall (Leicester West) (Lab): The Minister has just talked about blockbuster funding for the crime enforcement agencies, but how many criminal cases have been opened in the UK in response to the Magnitsky case?

Mr Wallace: That is a matter for the NCA—[HON. MEMBERS: “Zero!”] No, no. The NCA has appeared before many parliamentary Committees and been asked

those questions. They are a matter for operational partners. It is not for Ministers to come to the House to talk about potential ongoing operations, which could expose our police officers or our methods to the risk of people getting away with it.

Vicky Ford (Chelmsford) (Con): Does the Minister agree that the UK is one of the most transparent jurisdictions in the world for financial services, which are a key contributor to our economy, and that suggesting that money laundering is somehow rife in the UK risks talking Britain down?

Mr Wallace: It is interesting that no Opposition Member mentioned the fact that, only in the last few weeks, the UK went from 10th to eighth on Transparency International’s register of least corrupt places in the world. That speaks volumes.

Helen Goodman (Bishop Auckland) (Lab): It is three years since I raised the case of Dmitry Firtash, a Putin associate, who was arrested in Vienna on corruption charges at the FBI’s instigation. The Ministry of Defence sold him Brompton Road tube station for an undisclosed price. I know that the Minister cannot comment, but notwithstanding the fact that Dmitry Firtash donated £200,000 to the Tory party, may I suggest that an unexplained wealth order be put out for him?

Mr Wallace: I said earlier that the difference between us and Russia is that Ministers here do not sit around directing who to pick on and who not to pick on. Our operational partners are independent of Government. That is the difference. We will ensure that any case is evidence led and that we follow the rule of law. That is how we make a difference and send a message internationally.

Tom Pursglove (Corby) (Con): What steps is the Minister taking to bolster international co-operation on tackling this?

Mr Wallace: The best example I can give is that, after the Panama papers were published, we set up the joint financial analysis centre with the NCA and HMRC to ensure that we went through them and worked internationally to deal with some of those involved, collect some tax and potentially prosecute people. That happened through joint working at home, bringing together our partners, and internationally.

Mr Ben Bradshaw (Exeter) (Lab): Over the past eight years, the brave campaign of Bill Browder, who has done more than anyone to expose this criminality, presented the UK Government on five separate occasions with dossiers of evidence of Russian money laundering in London as a direct result of the crime that Sergei Magnitsky uncovered. Twelve other countries have begun criminal proceedings, based on the evidence that Mr Browder gave them. Not a single case has begun in the UK. Why does the Minister think that is?

Mr Wallace: I met Mr Browder and he presented me with his portfolio of evidence. I have raised it a number of times with the NCA, the Serious Fraud Office and the police. I would be delighted to meet the right hon. Gentleman to discuss this specific issue directly. It is

[Mr Wallace]

up to the operational partners to make a decision. [Interruption.] He may say it is about evidence, but we have to make sure that it is evidence up to a level that can produce prosecution in court. I am happy to explore that further with him. My door is open.

Alex Burghart (Brentwood and Ongar) (Con): Will the Minister update the House on what is being done to confiscate the assets of those guilty of gross human rights violations?

Mr Wallace: If there are criminal assets, we now have the powers to do that. We will bring forward any cases where we have collected the evidence and prepared a case. As I said, the Criminal Finances Act became law on 31 January, so we now have those powers. On sanctions, the sanctions Bill is currently transiting the House. We will bring forward our amendment in due course on Report. I hope we will work across the House to ensure the amendment is acceptable.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Minister will be aware of the allegations in the press that the First Deputy Prime Minister of Russia owns two flats in Whitehall through a company worth over £11 million. Does the Minister believe that he has the powers to know whether that is true? If he does not, when will those powers be in place?

Mr Wallace: I do not think I have to tell the Chair of the Home Affairs Committee about standing at the Dispatch Box and commenting on an individual case. She will know that, through our intelligence agencies, the police and a variety of partner organisations, we have the ability to find out information about people and gather evidence, if it is there, to make sure we make a case either to serve some of the new measures I have mentioned in the Criminal Finances Act or take action under the Proceeds of Crime Act 2002 and other measures that have been around for some time. We will not hesitate to do that if we feel that it is the right thing to do. It does not matter who that person is—whether they are a politically exposed person, or whether they are linked to friendly countries or adversaries—we will take action to take that money. I do not want that reputation for London and I know the right hon. Lady does not.

Bim Afolami (Hitchin and Harpenden) (Con): On a recent trip to Washington with the Public Accounts Committee, it was notable that officials from both the International Monetary Fund and the US Treasury were very positive about Britain's leadership in tackling money laundering. Will the Minister further explain the work the Government are doing on a multilateral and international basis to ensure that this issue is dealt with not just in Britain but across the world?

Mr Wallace: Through the NCA, the Government have invested in a network of overseas officers working around the world to make sure they have the best liaison and best access to other investigators, such as the FBI. I recently visited officers in Singapore whose job on a day-to-day basis is to put together international cases, either for this country or for their host country, to make sure we go after these people no matter where they are all around the world.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): Can the Minister rule out any dirty Russian money having made its way to any politically exposed person in the UK, political party or think-tank? Will he say whether the database of PEPs is being run routinely against known sources of dirty Russian money?

Mr Wallace: The hon. Gentleman will know that the Electoral Commission is the arbiter of policing political funding. I know what he is trying to get at. We are confident that all our donations are in accordance with the law, as set out for UK citizens. I would rather be taking money under that premise than from Max Mosley.

Kevin Foster (Torbay) (Con): I welcome the overall tone of the Minister's responses. Will he reassure me that the Government will continue to focus on the evidence base to deal with those who have committed human rights breaches and what may be corruption, rather than just apply a broad brush that might actually target those whose only offence is holding a passport of a nation whose leader wants to become a dictator?

Mr Wallace: It is very important that we tackle transnational criminals using a much more co-ordinated Government response. The Prime Minister has brought together many strands of economic crime and put them under one Department and one Minister, so that we can co-ordinate them better. It is incredibly important that we recognise that we have to use the rule of law. It has to be evidence-based, so that we can take action and remind those countries that this is about an international world order and the international rule of law and so that we can show that this country is a beacon around the world, not some client state that targets people willy-nilly.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Further to the questions asked by my hon. Friend the Member for Leicester West (Liz Kendall) and my right hon. Friend the Member for Exeter (Mr Bradshaw), proceeds of the crime that Sergei Magnitsky exposed and was killed over were laundered into a number of countries, in particular, by accounts from Dmitry Klyuev. No fewer than 12 other countries have, at the very least, initiated investigations into money laundered from this crime, because they believe that the necessary level of evidence has been met. Why has not one of the five UK authorities presented with this complaint over the past eight years, at the very least, done the same?

Mr Wallace: If the hon. Lady has an issue about whether or not the National Crime Agency or the police have taken action, it is a matter for her to raise with the National Crime Agency. I have raised the same issues with the National Crime Agency—I have asked it, but it is operationally independent. What I can say is that by using the Proceeds of Crime Act, since 2010, we have recovered £1.4 billion of assets from crime. That is making a difference; it is taking the money out of the pockets of criminals, both internationally and domestically.

Andrew Bridgen (North West Leicestershire) (Con): Does my right hon. Friend agree that although the Labour party talks about money laundering and tax evasion, the record clearly shows that it is this Government who are leading the world in dealing with these issues?

Mr Wallace: If we look at the tax gap, that absolutely shows that this Government have the lowest tax gap. It is far, far better than it was under the Labour party.

Several hon. Members *rose*—

Mr Speaker: Order. I note that Members only on the Opposition Benches—a large number of them—are standing. True to form, I am sure that they will want to behave in a comradely fashion towards one another, recognising that a long question by one will stop another. I am sure that they are not the sort of people who would want that to happen.

Toby Perkins (Chesterfield) (Lab): Further to the questions that have been asked, the Minister might hide behind operational independence, but what does it say about this country when we are the only one that does not believe the threshold of evidence has been met? What leadership is the Minister providing, so that the UK takes this seriously, as all these other countries are doing?

Mr Wallace: Unless the hon. Gentleman can come up with an alternative to operational independence and the rule of law, he has to understand that that is how we operate. The National Crime Agency has been asked on a number of occasions, before a number of Select Committees in this House, about exactly that case. I refer him to the answers that the National Crime Agency gave to those Committees.

Ian Murray (Edinburgh South) (Lab): What proportion of Scottish limited partnerships have not provided ownership information, and how many have been fined for not doing so?

Mr Wallace: I cannot give the hon. Gentleman the answer from this Dispatch Box, but like the Scottish National party, I have been concerned that Scottish limited partnerships are remarkably popular with countries such as Russia and Ukraine. Far greater numbers are being used by those countries than they currently are by Scotland. I shall write to him with a detailed answer to his question.

Alison McGovern (Wirral South) (Lab): Given the importance of wider economic sanctions to protect those in the most vulnerable countries in the world who are currently having their human rights routinely abused, what review has the Minister undertaken of the effectiveness of economic sanctions against businesses?

Mr Wallace: I will ask the Treasury, which leads on economic sanctions, to write to the hon. Lady with exact details of what assessment it has made of their impact. Sanctions, of course, do work in a number of scenarios. That is why we are keen to get the Sanctions and Anti-Money Laundering Bill through the House of Commons, working together to make sure that we get the Magnitsky amendment correct. It is certainly why this piece of legislation is very important.

Stephen Kinnock (Aberavon) (Lab): France, Germany, Switzerland, Spain and many other countries have opened criminal investigations into the people who are directly responsible for the brutal murder of Sergei Magnitsky. Why is the United Kingdom the only country not to have done so?

Mr Wallace: Is the hon. Gentleman asking about opening an investigation or prosecuting? As I said earlier, we are not commenting on what investigations we have live and open. That has been very clear: we cannot comment on whether or not an investigation is open into anyone. Whether it is a Russian oligarch, people who are alleged concerning Magnitsky, or someone under investigation in the hon. Gentleman's local constituency, that is not how it operates in this country, because we protect the operational independence of the police.

Ian Austin (Dudley North) (Lab): The best way to target Putin is to go after the people around him who enrich themselves to the tune of billions. It is estimated that people closely linked to Putin own property here in London worth more than £1 billion. The Minister could start by looking at the activities of Igor Shuvalov, who, as we have heard today, is reputed to own—just a few hundred yards from where we are standing now—flats worth £11.4 million, yet he earns just £112,000. That is clearly the result of corruption; what is the Minister going to do about it?

Mr Wallace: As the hon. Gentleman will have heard me say numerous times this afternoon, there are plenty of individuals who get pointed out to us and into whom we open investigations. What we cannot do is provide a running commentary on who is under investigation. As I have stated and as we have demonstrated in our legislation over the past few years, we on the Conservative Benches are determined to investigate and deal with overseas corruption and oligarchs putting money here. The best example I can give is the unexplained wealth order issued only a few weeks ago: it related to an overseas oligarch who was also a PEP and to £22 million of property in the south-east. We will continue to target such people because we think it is the right thing to do.

Kate Green (Stretford and Urmston) (Lab): Foreign nationals still come to the London financial markets to raise funds and then repatriate them to organisations that may be the subject of western sanctions. What action are the Government taking to prevent that?

Mr Wallace: The Sanctions and Anti-Money Laundering Bill, which is coming through the House, will give us new and more tools to deal with such behaviour. When the Criminal Finance Act 2017 transited the House and people made the point about the Magnitsky amendment, I pointed out that it was against criminal assets, and when the sanctions Bill comes forward, we will take steps to address the issue. So we raised this problem long before it was an issue in the sanctions Bill—last year, during the passage of the 2017 Act. Overall, we are determined to tackle this and to send the right message. The hon. Lady will have heard the long list with which I tested your patience at the beginning, Mr Speaker, and I find it ironic that the Labour party, which came up with precisely almost nothing in government, is criticising this Government, who are actually capturing proceeds of crime and taking them away from bad people.

Alan Brown (Kilmarnock and Loudoun) (SNP): The laundromat scheme was first exposed in *The Independent* in 2014, and since then *The Herald* newspaper in Scotland has done excellent work highlighting the use of Scottish

[Alan Brown]

limited partnerships in that process. Given that the Government are now listening to my colleagues' calls for action, can the Minister confirm a timeframe for legislation to address SLPs?

Mr Wallace: The hon. Gentleman is absolutely right. We are determined to try to deliver on that. The work is being led by the Department for Business, Energy and Industrial Strategy, and the Home Secretary and I are pressing the case to give hon. Members more solid answers about exactly when we will deal with it. I pay tribute to *The Herald*. Throughout all this, it has often been journalists who have made the difference in exposing all sorts of corruption around the world—and some have paid for it with their lives—which is one reason the Conservative party think that press freedom is so important.

Alex Norris (Nottingham North) (Lab/Co-op): In the Sanctions and Anti-Money Laundering Bill Committee, Ministers stated that the British property register would not be ready for three years and rejected amendments on tax havens in the overseas territories and Crown dependencies. The events of the past week or so have made this approach look pedestrian and too modest. Will Ministers now support similar amendments?

Mr Wallace: We are often up against some of the best-resourced and sophisticated crooks in the world, so we want to get it right and make sure it works. This will be the first measure of its kind in the world if we do it. Let us make sure it is correct and accurate, so that we can then act on it, gather evidence, seize assets and make the difference. I am sure the hon. Gentleman would not want us to rush through a half-hearted register that does not work.

Wes Streeting (Ilford North) (Lab): An unacceptably large number of the Minister's answers have involved being redirected to other agencies—people might wonder why the Government are so unaccountable on these issues—but perhaps he can answer a question about tier one investment visas. Many such visas were issued to Russians during a period when almost no background checks were carried out. What are the Government doing to look retrospectively at those cases to make sure that individuals with wealth obtained through dubious means cannot operate freely in our city and country?

Mr Wallace: The relevant part of the Home Office keeps a continual check on existing visas and new visa applications, and we will of course make sure that when something is wrong we take action either to remove a visa or prevent one from being issued.

Catherine West (Hornsey and Wood Green) (Lab): A recent review of legal practices showed that only one third of them had taken the mandatory risk assessment approach to money laundering. What can be done to further push legal and accounting firms to do the right thing in the City of London?

Mr Wallace: The hon. Lady makes a very important point. I am leading the SARs reform programme, which we think will address the problem of “quantity not quality”. We want to ensure that those who submit

suspicious activity reports do some of the work and to ensure that they produce reports of good quality, so that we can act on them. They have been used too defensively: banks have just loaded them up and left it to the operational partners to sift through them. We are also working with the regulators to ensure that we send strong messages to all the other facilitators who for too long have been let off taking a strong role in stopping money laundering.

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): The Minister was not able to respond immediately to the question from my hon. Friend the Member for Edinburgh South (Ian Murray) about Scottish limited partnerships and their ownership structure, perhaps because 71% of SLPs are registered in anonymous overseas companies and tax havens such as the British Virgin Islands. When will he legislate to bring SLPs within the scope of the persons of significant interest register to ensure that there is real transparency and to stop the siphoning of money?

Mr Wallace: I think that I did answer that question and the one asked by the hon. Member for Dundee East (Stewart Hosie). I made the point, as the hon. Gentleman has, that the vast majority of such arrangements are being used not by Scottish companies but by overseas companies. We are working with the Department for Business, Energy and Industrial Strategy to ensure that we get this right, but I am keen for measures to be introduced to stop their use by organised criminals around the world.

Chris Bryant (Rhondda) (Lab): There does not seem to have been very hasty action by the Government in relation to the Magnitsky Act. Members on both sides of the House have been calling for that for a long time, and, indeed, the House signed up unanimously to an agreement many years ago.

Has the Minister ever tried to do a little piece of elementary research on a trust fund? Has he tried to find out who is the beneficial owner, or, for that matter, the controlling interest? Who actually benefits from any of these trust funds? Having had to do quite a lot of research myself recently, I know that it is impossible to find out anything. It is all tied up. No one can even find out who has appointed the trustees. It is a complete mystery. Let me say to the Minister that until he deals with that issue of trust funds in this country, we will never manage to deal fully with the money laundering or the corruption in the City.

Mr Wallace: The hon. Gentleman makes a powerful point. The hiding of identity is a big challenge for law enforcement agencies, and we must do more to tackle it. We expect 150,000 trusts to be on the register by this March, starting with the public register of beneficial ownership.

As I have said, there is more to be done about Scottish limited partnerships. On most occasions, we manage to find out who is behind them, but, as the hon. Gentleman has said, it takes a lot of effort, which I believe could be reduced. Once we know who is behind these shadowy organisations, we can sometimes take even more action against them.

John McDonnell (Hayes and Harlington) (Lab): On a point of order, Mr Speaker.

Mr Speaker: I think the point of order appertains to the recent exchanges, and I will therefore take it now.

John McDonnell: I am grateful to you, Mr Speaker. We were hoping for a much more bipartisan approach today, but the Minister started off by making a statement in which he implied something that I do not think he wanted to imply, namely that we had not raised the issue recently. He implied that I had not raised it since, I think, 2016.

On 21 March 2017, Mr Speaker, you were kind enough to allow me a very similar urgent question, in which I asked the Government to address the allegations

“that, via an operation referred to as the “global laundromat”, banks based in Britain have been used to launder immense sums of money obtained from criminal activity in Russia linked to the FSB spy agency there.”—[*Official Report*, 21 March 2017; Vol. 623, c. 777-8.]

I am sure that the Minister would not want in any way to mislead the House, but I think it important for him to correct the record and to confirm that we have raised the matter consistently, not just in that urgent question but time and again during the Committee stage of the Sanctions and Anti-Money Laundering Bill.

Mr Speaker: The right hon. Gentleman has put the position very clearly on the record. The Minister is welcome to reply if he wishes. He is not obliged to do so, but if he does, it will stand in the *Official Report*.

Mr Wallace rose—

Mr Speaker: Is the Minister bobbing?

Mr Wallace: I am grateful to the right hon. Member for Hayes and Harlington (John McDonnell) for referring to his stance back then. Before coming to the Chamber, I carried out a *Hansard* search for the word “oligarchs”, to which he has not referred. The only time it came up was in a 2016 report, when the right hon. Gentleman spoke about the schools White Paper. If *Hansard* was incorrect or I did not see that, I apologise to the right hon. Gentleman, but the clear point that I was trying to make was that Labour was almost entirely silent on all the measures that the Government introduced in the Criminal Finances Act 2017. This is all about something other than money.

Mr Speaker: I am grateful to the Minister. I simply say to him that *Hansard* is not incorrect, and it is very important that we acknowledge the magnificent work of those who prepare the *Official Report*. I am not going to call the right hon. Gentleman the Minister, whom I have known for a long time, a semantic pedant, because that would be unkind, but his point seemed to focus on the use of the word “oligarch”. He has made his own point in his own way, but the shadow Chancellor’s factual recollection is also very clearly on the record.

Leaving the EU: UK Ports (Customs)

4.20 pm

Hilary Benn (Leeds Central) (Lab) (*Urgent Question*): To ask the Chancellor of the Exchequer if he will make a statement on customs clearance arrangements at UK ports after the UK leaves the European Union.

The Financial Secretary to the Treasury (Mel Stride): The Government have been clear that in leaving the European Union the UK will also leave its customs union, allowing us to establish and enhance our trading relationships with old allies and new friends around the world. The Government have also set out that in leaving the EU customs union, we will be guided by what delivers the greatest economic advantage to the United Kingdom and by three strategic objectives: continued UK-EU trade that is as frictionless as possible; avoiding a hard border on the island of Ireland; and establishing an independent international trade policy.

As we implement the decision of the British people to leave the EU at the end of March 2019, we want a deep and special partnership with the European Union. The Government set out in our future partnership paper last summer two options for our future customs arrangements—two options that most closely meet these objectives. One is a highly streamlined customs arrangement. That approach comprises a number of measures to help to minimise barriers to trade, from negotiating the continuation of some existing trade facilitations to the introduction of new technology-based solutions. The other is a new customs partnership, which is an unprecedented and innovative approach under which the UK would mirror the EU’s requirements for imports from the rest of the world that are destined for the EU, removing a need for a formal customs border between the UK and the EU. Those models were detailed again in the Government’s White Paper last October, and by the Prime Minister in her Mansion House speech and subsequent statement to the House. We look forward to discussing both those options with our European partners and with businesses in both the UK and the EU as negotiations progress.

Hilary Benn: I am grateful to the Minister for that reply, but when was the Transport Secretary proposing to tell the House—or indeed him—about the new policy of not checking goods at Dover after we leave the EU, as opposed to telling the BBC last Thursday:

“We don’t check lorries now—we’re not going to be checking lorries in Dover in the future”?

Given that the Government are committed to leaving the customs union, but that all free trade agreements involve some checks at borders, how exactly can this be squared with no checks at all? Which border crossings will be covered by the no-checks policy? Will they just be ro-ro ports, for example? Are the Government confident that World Trade Organisation rules allow for not applying certain customs checks at some ports but not others? Which checks do the Government intend to forgo? Have the Government had any discussions with the French, Belgian or Dutch authorities about whether they intend to apply a reciprocal approach at Calais or other channel ports? Will there be no checks on goods that have arrived in Dover from outside the EU? What risk assessment has been undertaken and will Ministers publish it?

[Hilary Benn]

When is Parliament going to see the information and analysis that has apparently been shared with businesses—it is reported that they have been required to sign confidentiality agreements—about possible new customs arrangements? Lastly, when are Ministers finally going to realise that if they actually want frictionless trade with the EU and to keep an open border between Northern Ireland and the Republic of Ireland, the best way to achieve that is to remain in a customs union?

Mel Stride: I thank the right hon. Gentleman for asking a variety of questions about what the Secretary of State for Transport said last Thursday. In addition to the remarks that the right hon. Gentleman mentioned, the Secretary of State also said that

“we will not in any circumstances create a hard border in Dover that requires us to stop every lorry in the port of Dover”.

That is absolutely right. The right hon. Gentleman will know that the discussions that we have had with other authorities in the EU27 are formal discussions, because the negotiations that we have been having with the EU have not been possible. However, some informal discussions have taken place.

The right hon. Gentleman raises the issue of confidentiality agreements for those with whom Her Majesty’s Revenue and Customs is in discussions. As I am sure he will know, this is an entirely normal state of affairs for such discussions. Incidentally, this works both ways, in that while there is confidentiality on the part of those private sector organisations, that is also binding on the Government, as anything of a commercially sensitive nature will not be divulged by the Government either.

The right hon. Gentleman raised the issue of Northern Ireland, on which we have made our position extremely clear: there will be no return to the hard border of the past. As we have made it clear to the EU27, we will not accept a situation in which we have a customs border down the Irish sea. We will respect the Belfast agreement, and we are engaged in further discussions with the Irish Government to come to a sensible arrangement that is in the mutual interests of ourselves, of Ireland and of the wider European Union.

Sir William Cash (Stone) (Con): Last week, my European Scrutiny Committee met Mr Michel Barnier in Brussels. Tonight, my Committee will issue a report on Brexit in the context of the UK ports and customs issue, and the jurisdiction that goes with it. Will the Minister confirm, in the context of the Secretary of State for Exiting the European Union’s statement with Mr Barnier today on the draft withdrawal agreement, that the British Government will stand firm on the question of not allowing the European Court of Justice exclusive or sole jurisdiction, given that articles 122 and 123 of that draft withdrawal agreement make significant concessions to the European Court?

Mel Stride: We have made it clear that once we have exited the implementation period, the European Court of Justice will have no further remit. We will take back our laws, to be determined by our courts at every level, including the Supreme Court.

Peter Dowd (Bootle) (Lab): I reaffirm what my right hon. Friend the Member for Leeds Central (Hilary Benn) said earlier. On Thursday night, the Secretary of

State for Transport promised a Dover studio audience that there would be no customs checks on goods vehicles passing through UK ports following our exit from the European Union. The Minister dodged every question that my right hon. Friend asked, but I will give him another opportunity to answer some of them.

It stands in complete contradiction to the Government’s wider position that, unlike Labour, they will not seek to form a customs union with EU member states after the transition period. Will the Minister confirm that it is now Government policy to discard protections on goods travelling into the country through a customs union while also refusing to check goods vehicles as a requirement to entry? Will he explain how tariffs will be applied and enforced without goods vehicles being checked by customs officials? Surely that would be in breach of World Trade Organisation rules—unless he knows something different. Can he give a single example of a nation that does not rely on either a customs union agreement or customs enforcement at its border? What are the Government’s plans to manage our trade relationships, to protect our own producers and to uphold environmental protections without either a customs agreement or border enforcement?

We all thought that the Government’s “cake and eat it” Brexit strategy was wildly misguided, but they now seem to have put us into a worse position that even fails to meet the low bar set by the Brexit Secretary when he committed to avoiding a “Mad Max-style”, “dystopian” Brexit. The Minister must set out clearly which of the options the Government are going to choose. Is it a customs union, as proposed by Labour, or goods checks at the borders? Or is it neither, as his Cabinet colleague has promised? For the sake of business confidence and planning, and of economic stability and continuity, will the Minister please ask the Chancellor to do us a favour and get to grips with the Government’s hokey-cokey Brexit policy, and tell the Transport Secretary—in the Defence Secretary’s words—to “go away” and “shut up”?

Mel Stride: Well, we waited a long time to get to the end of that, and I am not sure whether we are any wiser as a consequence.

As the hon. Gentleman will know, we are leaving the customs union, and I set out in my opening remarks the two models that we are intent upon progressing with our European partners. I also stressed that we will arrive at a solution that is as frictionless as possible. I have been down to Dover to meet the organisation that runs the port, and also the Border Force personnel who are engaged with it, and I am fully familiar with the importance of a frictionless border. Of course, the other important news that we have had today is that we have concluded, subject to the European Council meeting this week, an implementation period for the arrangements, which will not only give us additional valuable time to provide certainty to businesses, but ensure that we have all the arrangements in place for a successful customs system going forward.

John Redwood (Wokingham) (Con): Will the Minister confirm that we currently have friction-free and successful trade with the rest of the world under WTO terms and its facilitation of a trade agreement? If there is no free trade agreement with the EU after March 2019, we can have exactly the same friction-free trade with them, with Germany trading as China and America do today.

Mel Stride: My right hon. Friend is correct. We will be in a perfectly good position to ensure that we have near frictionless trade on day one, using the kind of facilitations that we are already using when it comes to the policing of our borders with the rest of the world, and indeed that exist between other countries such as Canada and the United States.

Peter Grant (Glenrothes) (SNP): We waited a long time to get to the end of that, and I not sure that we are any further forward as a result. The Minister finally understands what the rest of the world has been thinking after they have read every statement, listened to every speech and played through every attempt at clarification that we have had from the Government since the day of the referendum. My bingo card is not quite complete, but we got “deep and special”, “unprecedented” and “innovative”. We got “frictionless” twice, and we also got “streamlined”. However, I do not think that I heard “taking back control”, which is where I missed out on the jackpot, possibly because it is difficult to talk about “taking back control of our borders” when the Minister is trying to justify why we are not going to have any customs controls and therefore no border controls of any kind.

I remind the Minister that the port of Dover reckons that 99% of its traffic goes to and from the European Union, and it takes the massive great lorries an average of two minutes to get through. The other 1% goes to the rest of the world, and it takes an average of 20 minutes for those lorries to get through. There is no degree of customs check that can prevent Dover—in fact, most of Kent—from becoming a car park. We have not even started to talk about the impact on the Welsh ports. Where will the border be for traffic going from Wales to Northern Ireland via the Republic of Ireland? All the possible locations for a border have already been ruled out.

Has the Minister read the Northern Ireland Affairs Committee report that was published at the end of last week? Has he read the report of the Exiting the European Union Committee that was published on Sunday morning? Has he read the Business, Energy and Industrial Strategy Committee’s report that was published this morning? All of them say that the Government’s obsession with leaving the customs union will simply not work. I draw his attention to a conclusion of the Exiting the European Union Committee’s report of December 2017:

“It is difficult to imagine any possible deal, consistent with WTO and other international treaties, that would be more damaging to the UK’s interests than leaving the EU with no deal whatsoever in place.”

Does the Minister agree with that? Does he understand that we are now barely six months away from when we effectively need a deal in place? When are the Government going to get rid of the clichés and soundbites, and start giving us genuine solutions to the problems that they, and they alone, have caused?

Several hon. Members *rose*—

Mr Speaker: Order. It is always a pleasure to listen to the mellifluous tones of the hon. Gentleman, who spoke for only two and a half times as long as he was allotted. I hope that he will be saying to himself tonight, “Isn’t that Speaker a generous fellow?”

Mel Stride: You are indeed a generous fellow, Mr Speaker. The nub of this issue is the misconception that having customs control at the border is the same thing as stopping every vehicle or jamming up Dover. There are approaches available—we set out them out at length in our White Paper last year, and we have been negotiating on them and will continue to put them forward to the EU—that use technology and the pre-lodging of customs declarations, and that may use inventory systems at ports or number plate recognition technology. All these approaches are perfectly capable of allowing traffic to move briskly through the ports, as indeed is the case today.

Sir Edward Leigh (Gainsborough) (Con): Surely the implication of this question is that after we leave the customs union, it would somehow—bizarrely—be in the interest of those on either side of this equation to want to impose friction on trade. Surely the EU would not want to do this, given its massive trade surplus. So are we not tilting at windmills here—or is this not, as the French would say, a mere canard?

Mel Stride: My hon. Friend makes an extremely important point. As we know, there is a trade deficit in goods between ourselves and the EU, so it is clearly in the EU’s interests—and, particularly in the case of Dover and Calais, in France’s interests—to make sure that trade continues to flow smoothly.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Minister referred to automated number plate recognition. Will he confirm that he has been discussing with the port of Dover extensive cameras, which could be part of his proposed technological solution? Will he also confirm that the Government rule out having such cameras at the Northern Ireland border, because they have ruled out any physical infrastructure at that border?

Mel Stride: The right hon. Lady is right to say that the Government have clearly ruled out any infrastructure at the Northern Ireland border. In the discussions on Dover—not necessarily with myself directly, but through officials—all those options, including the number plate recognition to which she refers, have indeed been talked about.

Anna Soubry (Broxtowe) (Con): As my right hon. Friend knows, if there were two countries that were ever going to have a completely frictionless border, they would be Norway and Sweden, because they are both in the single market, but, as we know, there is a hard border there. In any event, will he be so good as to go to his officials at the conclusion of his appearance in the House to ask them to make sure that the costs of the system the Government hope to achieve with our neighbours in the EU are fully calculated?

Mel Stride: I thank my right hon. Friend for her question, but of course we do not yet know, as we negotiate these arrangements with the EU27, exactly what form of arrangements will be in place. Of course we will be assessing those carefully.

Mr Chris Leslie (Nottingham East) (Lab/Co-op): May I press the Minister a little more on his two alternatives to the customs union? He has posited the idea that one is a technological solution, but he has

[Mr Chris Leslie]

already acknowledged that it is not viable, because of the border with Northern Ireland, so this all rests on a customs partnership arrangement. Will he confirm not only that that would require the UK to assess two separate tariff arrangements internally—one for us and one for the EU—but that we would be looking to the EU to assess both its own and the UK's tariff arrangements simultaneously? Does that happen anywhere else in the world?

Mel Stride: We have made it clear all along that the new customs partnership is an extremely innovative approach and would be a first, because this is a unique situation in which we and our European partners have a strong trading relationship and a near complete alignment of rules and regulations pertaining to our trading arrangements. The hon. Gentleman suggests that there is no alternative to the new customs partnership in relation to the border between Northern Ireland and Ireland, but that is not the Government's position. We are confident that by using facilitations and various arrangements—[*Interruption.*] If he focuses for a moment on the kind of activity that is happening across the border between Northern Ireland and Ireland, such as fuel laundering, he will see that it has proven perfectly reasonable for the Police Service of Northern Ireland to intercept those engaged in such activities, well away from the border and very effectively, by using targeted approaches, as we might be able to do going forward.

Charlie Elphicke (Dover) (Ind): I urge the Minister to reject the representations from the analogue Opposition parties, which seem to have a dystopian vision of analogue borders at which every single load is stopped. As the constituency representative for the port of Dover, I urge him to embrace digital borders, at which we have frictionless trade, risk-based stopping of trade and inspections where necessary, and the postponement of workplace checks and audits. In that way, the Labour party's dystopian desire for Dover and Kent to be turned into a car park can be avoided, but only with investment. I urge the Minister to make the appropriate investment in systems to make that vision a reality as soon as possible.

Mel Stride: I thank my hon. Friend for his comments and also take this opportunity to thank him for the sound advice and guidance that he, as the Member who represents Dover, has given to me. As he says, we can of course use technology to ease traffic flows. We will also invest as required to make sure that our borders function effectively. The Chancellor made it clear in the autumn Budget in November that £3 billion would be made available as necessary, across Departments, for that purpose.

Tom Brake (Carshalton and Wallington) (LD): I note that the Minister has disowned the Secretary of State for Transport's policy brainwave, because the Government are saying that vehicles will be stopped at Dover, but not all of them. Given that 10,000 trucks pass through Dover every day, how long will the tailback be if, say, one out of every 10 additional trucks needs to be checked and each check takes five minutes? Where will the lorry parks be built that will be needed to accommodate that?

Mel Stride: There will be no requirement for anything like the level of stoppages at Dover that the right hon. Gentleman suggests. We will use technology to facilitate the movement of trucks and goods through the port of Dover. If there is an intelligence-led requirement to stop any vehicles, that can be done outside the port of Dover. We will make sure that traffic through the port keeps flowing.

Sir Desmond Swayne (New Forest West) (Con): If we adopt unilateral free trade, we will not be the source of any friction, will we?

Mel Stride: I thank my right hon. Friend for his succinct question. Of course, that very much depends on where we end up in respect of our free trade agreements with the European Union and with other countries.

Mike Gapes (Ilford South) (Lab/Co-op): Will the Minister confirm that the arrangements that will be agreed with the European Union will apply in exactly the same terms to the British overseas territories and specifically to Gibraltar, and that there will be no problems about that with Spain?

Mel Stride: I refer the hon. Gentleman to the comments of the Secretary of State for Exiting the European Union this morning. I believe he has confirmed that Gibraltar will be part of the agreements that we are expecting the European Council to agree to very shortly, and that they will also extend to our Crown dependencies and overseas territories as appropriate.

James Cleverly (Braintree) (Con): Will my right hon. Friend take as inspiration the workings of DP World, the deep-water port in the south of Essex where thousands of lorries-worth of containers flow into the country from outside the customs union swiftly, slickly and smoothly? Will he look upon that as a potential solution for the Dover border?

Mel Stride: I thank my hon. Friend for that point. I have no doubt that that is just one more example of where facilitations and technology can ensure that goods move efficiently across a customs frontier.

Stephen Timms (East Ham) (Lab): Does the Minister recognise that if there is no trade deal with the European Union, it will be a breach of World Trade Organisation rules to apply checks and tariffs to non-EU goods but not to EU goods?

Mel Stride: The right hon. Gentleman is absolutely right that under WTO terms we would have to treat the various countries equally, but we are confident that there will be a deal. Indeed, we made huge progress on the phase 1 issues in December and have heard just today that we are looking clearly at an agreement on the implementation period. We will be going forward for further agreement with the European Union on a deal for this country and the EU.

Mr Marcus Fysh (Yeovil) (Con): Does my right hon. Friend agree that provisions related to a transition as per the mooted withdrawal agreement would not be effective until such an agreement were ratified and adopted, and that those stages will not be complete until next year? In that context, can he assure the House that upgraded capacity for inspections and declarations

will be implemented behind the border now, so that trade can continue to flow whatever the outcome of negotiations with the EU by 29 March next year, and that this work will not be stood down?

Mel Stride: As I have already said, we will make sure that those elements of infrastructure—the places where goods can be checked on an intelligence-led basis and the technology that is required to keep our customs borders moving—will be in place by the appropriate time.

David Hanson (Delyn) (Lab): If a Dublin-based company imports goods from mainland Europe in the European Union, puts them on a lorry, drives them through the frictionless border to Belfast, puts them on a ferry from Belfast to Liverpool, near my constituency, at what point do checks, and indeed facilitations, take place?

Mel Stride: As the right hon. Gentleman will know, these matters are subject to negotiation at the present time, but what we will make absolutely certain of is that there is no hard border between Northern Ireland and the Republic of Ireland, that there is no customs border effectively within the Irish sea, that the Belfast agreement is respected, and that we have a relatively frictionless movement of goods across the Northern Ireland-Irish border.

Mr Jonathan Djanogly (Huntingdon) (Con): People are talking about the customs union, a customs union, a customs partnership and, as the Prime Minister put it, a hopeful customs arrangement, but will my right hon. Friend accept that as far as businesses are concerned they do not really care what it is called as long as they do not have 10-mile queues at the border, they are not paying EU tariffs and they are not being clogged up with more bureaucracy and red tape?

Mel Stride: My hon. Friend is absolutely right. What matters to business is that we keep the borders moving, and I have explained in my responses to many questions this afternoon exactly how we will approach that.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): Jaguar Land Rover is postponing investment in a new generation of electric vehicles until it is satisfied that there will be frictionless trade with the EU. Given that the Government have ruled out a customs union with the EU, what arrangements will the Government make that will both be achievable with the EU and satisfy Jaguar Land Rover so that it invests in much-needed electric vehicles?

Mel Stride: The Government are well aware of the particular needs of the motor manufacturing sector, with just-in-time delivery and the fact that some components move across what will potentially become a customs border in the future. Those needs are a priority for us during the negotiations. I have no doubt that the implementation period that has been announced today will be one of the things that will drive the economy forward even faster. The hon. Gentleman will know from the spring statement that the Office for Budget Responsibility has already upped the estimates of growth for next year, and hopefully the implementation period will make a further positive contribution to that.

Ben Lake (Ceredigion) (PC): Wales is ideally based as a land bridge for many Irish exporters. Indeed, more than 70% of Irish road freight comes into the UK through Welsh ports. If a border is placed in the Irish sea, Welsh ports could face severe delays and disruptions. Will the Minister outline what assessment the Government have made of the potential impact on Welsh ports, and of whether trade will be diverted or displaced elsewhere?

Mel Stride: The good news for the hon. Gentleman is that there will be no circumstance under which this Government, or a British Prime Minister, will negotiate a deal in which we have an effective customs border between Northern Ireland and other parts of the United Kingdom.

Stephen Kinnock (Aberavon) (Lab): Currently, goods that require checks go into a lorry park just off the M20, which apparently has 82 parking spaces, but, never fear, there will be a new lorry park just off the M20. However, it seems that the plans to build it are completely snarled up in a judicial review. Will the Minister please give an update on how the lorry park will save the day, and by when it will be built?

Mel Stride: We will ensure that sufficient facilities are available for checks. As is the case at the moment, many of those checks will occur at business premises and storage facilities, including Stop 24, for example.

Diana Johnson (Kingston upon Hull North) (Lab): As an MP for a city that has a port and that voted to leave the EU, taking back control of our borders was one of the most common reasons that I heard for people voting to leave. Will the comments attributed to the Transport Secretary about having no hard border at Dover apply to Hull as well?

Mel Stride: The Transport Secretary said that not every vehicle will be stopped, and that is absolutely right. In fact, we will use intelligence-led, technologically driven interceptions where appropriate, as is currently the case for our dealings with countries outside the European Union.

Albert Owen (Ynys Môn) (Lab): When will Ministers realise that the mantra of “frictionless border, frictionless border, frictionless border” is not standing up to scrutiny? Is he aware that Irish companies are already making contingency plans to go directly to mainland Europe, thereby bypassing Welsh, Scottish and English ports? Does he understand the effect that that will have on those port communities, but also on Her Majesty’s Treasury?

Mel Stride: We are committed to, and confident that we will achieve, a frictionless border between Northern Ireland and the Republic of Ireland that will facilitate trade in the future.

Ian Murray (Edinburgh South) (Lab): Will ports on mainland Europe reciprocate by having no customs checks for UK goods?

Mel Stride: It will depend on exactly what transpires in the negotiations, as the hon. Gentleman knows.

Melanie Onn (Great Grimsby) (Lab): Today's news on the customs arrangements during the transition phase will come as a very welcome update to business in the logistics of ro-ro port operations, and particularly to the time-sensitive fish trade and processing industry. Continuation of these sensible arrangements is essential for the long-term future of Great Grimsby's processing sector and 5,000 jobs. Will the Minister tell the British public that their Grimsby fishfingers will be safe in their hands after we leave the EU?

Mel Stride: Everybody's fishfingers will be safe in the hands of this Government.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I was a big fan of Peter Pan when I was growing up. I thought that the idea of a magical Neverland was wonderful, but of course as we grow older we realise that it does not exist—[HON. MEMBERS: "What?"] I am sorry to disappoint hon. Members. The Minister, however, seems to think that he can wish a happy thought and fly out of the window. I am going to ask him a very practical question. Have he and the Home Office undertaken plans to train and recruit additional customs officers for the Welsh ports that have been mentioned? I have asked a number of questions and have not been able to get a straight answer from the Home Office. Are additional staff being recruited? If so, how many?

Mel Stride: We have made it very clear that sufficient staff will be made available. The head of Her Majesty's Revenue and Customs has made it clear that there will be a requirement of between 3,000 and 5,000 additional staff. The Chancellor made it clear at the Budget that £260 million would be made available for HMRC in the coming year, and those resources are for people as well as technology. The right and appropriate number of people will be available.

Wes Streeting (Ilford North) (Lab): The clock is counting down, yet the agreement reached today is clear that the thorny issue of the future of the borders surrounding Northern Ireland is being kicked into the not-so-long grass. I want to pick up two things with the Minister, based on his answers this afternoon. First, we are hearing lots about technology. Does it even exist? If so, what is it and how quickly can it be implemented? Secondly, he talks about the facilitation of the border between Northern Ireland and the Republic of Ireland. Will he say a bit more about what this facilitation is? It is not very clear, and the clock is ticking?

Mel Stride: An example of the technology would be the customs declaration service system that HMRC is developing as a replacement for the customs handling of import and export freight system. It is currently in testing, will go live come August and will be used in its entirety come January next year—well over a year before the end of the implementation period.

Wera Hobhouse (Bath) (LD): What exactly, in simple terms, is the difference between a customs partnership and a customs union?

Mel Stride: In a customs union, as I am sure the hon. Lady will know, a country would be bound by the external tariffs set by that customs union. A relationship with a customs union takes the form that I have described, which would be a frictionless interaction of our exports and imports with that customs union.

Catherine West (Hornsey and Wood Green) (Lab): What special assessment has been made of the risk of medications perishing due to long delays at ports?

Mel Stride: With regard to Euratom's remit over the kinds of isotopes that the hon. Lady is referring to, nothing in our relationship with Euratom, or our lack of involvement with it going forward, will affect the ability of those isotopes to move between mainland Europe and the United Kingdom.

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): The difference between a customs partnership and a customs union strikes me as a distinction without a difference. However, if there is a difference, and the Government are eschewing a policy of maintaining any form of customs union after Brexit, why did the Minister's officials place a clause in the Taxation (Cross-border Trade) Bill leaving it open to the Government to create a customs union after Brexit?

Mel Stride: One of the reasons for that relates to our Crown dependencies and overseas territories, where we may need to make arrangements to make sure that the whole deal functions effectively.

Alan Brown (Kilmarnock and Loudoun) (SNP): The Transport Secretary has said:

"Trucks will move through the border without stopping...in the way it happens between Canada and the US."

In a simple 20-second Google search, I found a handy border crossing guide for commercial truck drivers travelling between Canada and the US. It confirms that they need to submit paperwork to customs at least two hours before they arrive, which may expedite the process by up to 30 minutes. It also confirms that all trucks will have a primary inspection that may or may not be the only stop. Shall I send the Minister this document? Does he agree that the Transport Secretary is no longer fit for his job?

Mel Stride: I have made it very clear that facilitation such as the pre-lodging of customs declarations before vehicles even arrive at a particular border is an approach that, combined with other technological approaches, can ensure that vehicles move very swiftly and frictionlessly through borders, as evidenced by a number of examples around the world of where exactly that is happening.

Cambridge Analytica: Data Privacy

4.57 pm

Damian Collins (Folkestone and Hythe) (Con) (*Urgent Question*): To ask the Secretary of State for Digital, Culture, Media and Sport to make a statement about the alleged breach of Facebook user data by Cambridge Analytica and the powers of the Information Commissioner to act in such cases.

The Secretary of State for Digital, Culture, Media and Sport (Matt Hancock): The revelation this weekend of a serious alleged privacy breach involving Facebook data is clearly very worrying. It is reported that a whistleblower told *The Observer* newspaper that Cambridge Analytica exploited the Facebook data of over 50 million people globally.

In our increasingly digital world, it is essential that people can have confidence that their personal data will be protected. The Information Commissioner, as the data regulator, is already investigating as part of a broader investigation into the use of personal data during political campaigns. The investigation is considering how political parties and campaigns, data analytics companies and social media platforms in the UK have used people's personal information to micro-target voters. As part of the investigation, the commissioner is looking at whether Facebook data was acquired and used illegally. She has already issued 12 information notices to a range of organisations, using powers under the Data Protection Act 1998. It is imperative that when an organisation receives an information notice, it must comply in full. We expect all organisations involved to co-operate with this investigation in whatever way the Information Commissioner sees fit. I am sure that the House will understand that there is only so far I can go in discussing specific details of specific cases.

The appropriate use of data is important for good campaigning. Canvassing someone's voting intention is as old as democracy itself. Indeed, we do it in the House every day. But it is important that the public are comfortable with how information is gathered, used and shared in modern political campaigns, and it is important that the Information Commissioner has the enforcement powers she needs. The Data Protection Bill, currently in Committee, will strengthen legislation around data protection and give her tougher powers to ensure that organisations comply. The Bill gives her the powers to levy significant fines for malpractice, of up to 4% of global turnover, on organisations that block the investigations by the Information Commissioner's Office. It will enhance control, transparency and security of data for people and businesses across the country.

Because of the lessons learned in this investigation and the difficulties the Information Commissioner has had in getting appropriate engagement from the organisations involved, she has recently requested yet stronger enforcement powers. The power of compulsory audit is already in the Bill, and she has proposed additional criminal sanctions. She has also made the case that it has become clear that, in order to deal with complex investigations such as these, the power to compel testimony from individuals is now needed. We are considering those new proposals, and I have no doubt that the House will consider that as the Bill passes through the House.

Data, properly used, has massive value, and social media are a good thing, so we must not leap to the wrong conclusions and shut down all access. We need rules to ensure transparency, clarity and fairness, and that is what the Data Protection Bill will provide. After all, strong data protection laws give citizens confidence, and that is good for everyone.

Damian Collins: I thank the Secretary of State for his statement. Does he share my concern that an academic at the University of Cambridge, Aleksandr Kogan, was able to conduct surveys with 270,000 Facebook users, and from that was able to access the data of not just the people who completed those surveys but a greater number of accounts, totalling 50 million user profiles?

That information was then sold to Cambridge Analytica, despite Alexander Nix of Cambridge Analytica telling the Digital, Culture, Media and Sport Committee that it had never received such data when he gave evidence to us, which the Committee will seek to pursue with him. That data was then used in campaigns. Facebook knew of that data breach for more than two years and did nothing to act against Cambridge Analytica. It only suspended Cambridge Analytica from the platform when it became clear that *The Observer* was going to expose this in its feature yesterday.

My first specific question for the Secretary of State and his Department, and by extension the Information Commissioner, is: will someone be contacting Cambridge University to ask what oversight there was of what Dr Kogan and his team were doing there in gathering this data in the first place?

There is an ethical issue here: data gathered in consumer surveys is being used by data analytics companies for political campaigns. No one ever gave consent for this information to be used in political campaigns in this way, and I think many people will be shocked at the way in which their personal data can be harvested so effectively and used in this way—and not by a registered political party, but simply by a data analytics consultancy.

Can the Secretary of State give users some heart by confirming that someone simply ticking a box on a long form on Facebook does not sign away their rights? Can he confirm that no company has the right to ask someone to sign away their rights under data protection legislation in this country, that it would not be enforceable if a company tried to do so and that people's rights are still protected?

Does the Secretary of State believe there should be a broader investigation into Cambridge Analytica as a company, which many people are concerned is using many different shadow companies and identities to campaign around the world? Many people have raised concerns and questions not just about the way the company is using data but about its ethics and leadership in all aspects of its life.

I am pleased that the Secretary of State addressed the powers of the Information Commissioner. We raised that issue with him in Committee last week, and the Information Commissioner has also raised it. This incident shows that someone in this country needs to have the legal authority to go behind the curtain and look at the way in which the tech platforms and other companies that use data are using that data, to make sure they comply with UK data protection law.

[Damian Collins]

When the Data Protection Bill is passed, we want to be confident that it is being enforced, that the conditions are being met and that big, powerful companies like Facebook cannot avoid compliance with UK data protection law. I am pleased that the Secretary of State raised that. The Committee, and I am sure the whole House, will take note of that on Report.

Matt Hancock: I start by paying tribute to the work of the Select Committee, as I have done from this Dispatch Box before. It is doing an incredibly important piece of work. Because of the sensitivities of this, in terms of its political nature and the impact on political campaigning, it is excellent that a cross-party group of MPs is leading work on this, and I pay tribute to Members on both sides of the House for their role in that. I remind them that they ultimately have the power of summons, if people are not giving them good enough answers.

I will ensure that we look into all the considerations my hon. Friend mentions. He raised a point about consent not just being given through a tick box, and this is directly addressed in the Data Protection Bill. Currently, because of the nature of the legislation—the 1998 Act is very old in digital terms—companies can get away with asking for a box to be ticked, even though many people do not read all the small print. The Data Protection Bill will replace the tick-box approach with a principles-based approach, which I think the whole House should support.

Finally, my hon. Friend asked about the powers of the Information Commissioner. He is absolutely right that we must, with the legislation before the House right now, ensure that we get the powers right so that the Information Commissioner can carry out an audit. Such a power is already in the Bill, but the question is whether there is a strong enough backstop for when people choose not to comply with an audit. At the moment, there is a very serious fine, but the question is whether the criminal penalties that can be imposed in some cases should be further strengthened. That detail is rightly being looked at in the discussions on the Data Protection Bill.

Liam Byrne (Birmingham, Hodge Hill) (Lab): I too pay tribute to the Committee. I also pay tribute to *The Guardian* newspaper and Carole Cadwalladr for pursuing this with such utter relentlessness, despite the harassment that she has received. If true, these allegations provide an utter indictment of the permissive environment that this Government have created, which has allowed the data giants in this country to be both careless and carefree in their misuse of data. If they are true, 50 million data records have been misused in a way that means rights have been breached, but also in a way that could have affected the outcome of elections and referendums.

I am grateful to the Secretary of State for considering amendments to the Data Protection Bill. Will he confirm that he will bring forward amendments for stronger powers for the Information Commissioner? If he does so, we will back him on them. Will he also now accept our amendments to set a deadline for modernising the e-commerce directive, which treats such companies under laws that were invented before they were even born? Will he think again about making it possible, in the way

that we have set out, to bring class actions where data rights are breached so that they are actually accessible to people, and will he support our amendments to require disclosure of funding for the dark social ads that we know can influence elections and, indeed, referendums?

The final point for the Secretary of State to consider is whether the directors of Cambridge Analytica can still be judged fit and proper people to hold directorships. Will he confirm not only that the Information Commissioner will investigate this breach, but that the full weight of Companies House and the Serious Fraud Office are behind it, so that if these people need to be struck off, they are struck off forthwith?

Matt Hancock: I add my praise for the *Guardian* journalists who have done the work published this weekend. I agree with the right hon. Gentleman on many of the issues he raises. It is best to proceed on this with the cross-party consensus that we have on many such areas. I am not sure about the argument that we have dragged our feet, given that this Government have brought forward the Data Protection Bill, and that this Government supported the general data protection regulation very strongly at European level. We are, indeed, already taking action to put right some of the things that need to be strengthened because of the development of technology.

The right hon. Gentleman asked about the e-commerce directive. With Brexit, we will of course be leaving the e-commerce directive, so it is not a question of updating it, but of what to put in its place. We will be leaving the digital single market, and we have an opportunity to make sure that we get that piece of legislation right for the modern age—supporting innovation, growth and the use of modern technology, but doing so in a way that commands the confidence of citizens.

The right hon. Gentleman asked about the directors of Cambridge Analytica. We will of course ensure that people are operating within the law. The question of whether they are fit and proper persons is for a different Department, but I am certainly very happy to talk about that to my ministerial colleagues.

Mr Dominic Grieve (Beaconsfield) (Con): I am sure my right hon. Friend will agree that this news should cause us all great concern. Is not the difficulty that it has been apparent for a long time that the obtaining of data and the use that can be made of it, whether for commercial or political purposes, are a gold mine for those who wish to breach the law, and the sanctions that can be visited on those who do it are entirely inadequate? I am perfectly aware that the Government are amending the legislation, but I do not think the penalties we are enacting for those who behave in this fashion are anything like draconian enough. The financial incentives to break the law are far too great and the penalties are proportionately insufficient. Ultimately, we will have to be much tougher if we are to stop this sort of behaviour.

Matt Hancock: I have some sympathy with the argument my right hon. and learned Friend makes. A fine of 4% of global turnover is a significant one for an organisation for which data processing is only part of a broader business. Where data processing is the whole business, one could argue that it is less proportionate. We are therefore considering the Information Commissioner's request. Of course, this is not just about the 4% of

global turnover; the criminal offence in clause 145 of the Data Protection Bill carries the highest possible fines, as well as criminal records in England and Wales, for providing false information in response to an information notice, so there already are stronger sanctions for specific actions. The point he makes is one that has been made recently by the Information Commissioner and, therefore, one that is worth listening to.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): Like most people across the House, I was shocked to read the revelations in *The Observer*. This story is yet more evidence that the online political advertising market is growing exponentially and becoming more and more difficult to police. We are seeing Russian authorities purchasing political ads with extensive micro-targeting based on ill-gotten or unlawful user data. If left unregulated, this market will continue to be prone to deception and lacking in transparency. Urgent action is clearly required, so what plans do the Government have to take the required action?

Of course Cambridge Analytica and Facebook should be brought back to the Digital, Culture, Media and Sport Committee to explain their previous evidence, which is alleged to be simply false.

Damian Collins: They will be.

Gavin Newlands: I am pleased to hear that.

Lastly, there have been reports that the Conservative party has been in talks with Cambridge Analytica for some time. If that is true, how long have they been in talks and what did the party know about its dealings with Facebook? Do the Government plan to hold an inquiry? If so, is the Secretary of State worried about a conflict of interest, given the Conservative party's plans to use Cambridge Analytica for its own benefit?

Matt Hancock: I have answered the first part of the hon. Gentleman's set of questions. I broadly agree with him that this is a serious and worrying incident. We need to ensure that the Bill that is before the House puts in place enforcement powers behind the ability to audit that the Information Commissioner will get from the Bill. On the questions about the Conservative party, as far as I understand it, the Conservative party has no such dealings with Cambridge Analytica and, therefore, no conflict arises.

Vicky Ford (Chelmsford) (Con): I have been the victim of false news stories being micro-targeted at Facebook accounts in my constituency to deliberately undermine me and cause hate. I thank the Secretary of State for prioritising the Data Protection Bill and delivering the general data protection regulation to make sure that our law is clear and enforceable. How does he intend to work with Governments in other countries to ensure that there is no wild west or evil east when it comes to the use of personal data?

Matt Hancock: I have said that the wild west of digital companies that flout rules and think that the best thing to do is move fast and break things, without thought for the impact on democracy and society, is over. The Data Protection Bill is part of a suite of actions that we are taking to ensure that we have the

freedoms that we cherish online, but not the freedom to harm others. That affects many different areas, brought together under our digital charter, and getting the rules right in that space is an important part of our response.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): I, too, pay tribute to the work of the Select Committee on Digital, Culture, Media and Sport and *The Guardian*. Dr Kogan was able to pass the information to Cambridge Analytica. The Secretary of State will know about the reports that Dr Kogan also had teaching posts and grants for social media research from a Russian university, and that Cambridge Analytica did some work for a Russian firm that is currently on the US sanctions list. Has the Secretary of State investigated the veracity of the reports? Has he or a Home Office Minister been in touch directly with Facebook to ask them what further data breaches might have taken place and to ask them to investigate? If they will not provide that information, does he agree with my colleagues' request that powers should be taken to ensure that we can get it?

Matt Hancock: Of course we have been in contact with Facebook about that. It is very early stages in terms of the specific allegations that were made at the weekend, but this is part of a longer dialogue about ensuring that Facebook treats the problems with the seriousness that they deserve. The focus today is on Facebook, but in the autumn, we came to the House to discuss Uber's attitude to data breaches. I do not want to have to come to the House again and again to talk about breaches by big data companies. That is why we need to update the law and get that in place as soon as possible.

Sir Edward Davey (Kingston and Surbiton) (LD): If evidence emerges via the work of the Information Commissioner, the Electoral Commission, the Select Committee, *The Guardian* or anyone else that any organisation misused people's data to interfere in a UK election or referendum, will the Secretary of State guarantee that a full public inquiry is established to find out what happened and what the implications were?

Matt Hancock: There is no evidence yet of successful interference in a UK election or referendum, but we remain vigilant.

Mr Ben Bradshaw (Exeter) (Lab): Given the important role that Cambridge Analytica played in the EU referendum and given the links made by the fantastic journalism in *The Observer* and elsewhere with the Kremlin's wider campaign of undermining and interfering in our and America's politics, will the Secretary of State assure the House that all the inquiries and investigations that we have discussed here today get the full co-operation and support of the British intelligence and security services?

Matt Hancock: Yes.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The Secretary of State knows that I have long called for a comprehensive forward-looking review of data sharing and abuse, so that our citizens can have the data rights they deserve. The Data Protection Bill does not achieve that. It does not define property rights or market power

[*Chi Onwurah*]

in data, or algorithmic abuse. Facebook is on the wrong side of history on this and its share price is crashing as a result of the great work of the journalist Carole Cadwalladr. Will the Secretary of State take action or go down as the last dinosaur in an age of data ethics?

Matt Hancock: Few Governments are doing more to get the rules right in this space. The Data Protection Bill has a full suite of data protection provisions, including the GDPR from European law, to give people power over their data and consent about how it is used. I recommend that the hon. Lady read the Bill and get on board. If she has specific improvements to suggest, we are willing, as we have been throughout the passage of the Bill, to listen and consider them, as we have done with the proposals made by the Information Commissioner and the Select Committee, because we want to ensure that we get the legislation right.

Clive Efford (Eltham) (Lab): In the years before the 2008 crash, we were told that the people who were running the City of London were the masters of the universe and we could not touch them. We are seeing the same sort of arrogance from the large internet companies, such as Facebook. The way they are using data, and researching how to use data, is completely unregulated. Other areas of research that affect people's lives are highly regulated. The Data Protection Bill does not go far enough to protect people's data and the research that goes into manipulating it.

Mr Speaker: I exhort the Secretary of State to imagine that at the end of the hon. Gentleman's peroration there was in fact a question mark.

Matt Hancock: I agree with the premise of the hon. Gentleman's statement—or question, Mr Speaker. I agree with him that the attitude of the social media giants has been, "Government should get out of the way, because we are doing things differently and better." It may be a good thing for 95% of us that we are better connected and can use social media in positive ways, as many Members do, but there are serious risks and downsides that need to be addressed properly and appropriately. They are best addressed through legislation where necessary. The parallels he makes are telling.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): This is not simply a matter of Cambridge Analytica using data allegedly handed over by a social media provider; this is a matter of Facebook behaving as though its users are raw material to be exploited. Its apparent willingness to do this has been increasingly linked to concerns about the integrity of our democracy. Surely, now is the time to require social media providers to conform to a compulsory code of conduct?

Matt Hancock: Indeed. A compulsory code of conduct in some areas is in the Bill, especially with respect to the treatment of children. We have a statutory code of conduct in the Digital Economy Act 2017. This whole area is one where we have to ensure that the liberal values, to support freedom but not the freedom to harm others, that we apply through legislation to many other

parts of our lives are brought to bear on the online world as well. That is what I mean when I say that the wild west is over.

Darren Jones (Bristol North West) (Lab): In the Data Protection Public Bill Committee last week, the Government rejected Opposition amendments that would give full effect to the European requirement for consumer groups such as Which? to be able to bring class actions on behalf of large groups of consumers who have been subject to a data breach. The Government initially ignored that and then tabled an amendment for that to be done on an opt-in basis. Given the revelations about Cambridge Analytica and the fact that none of us knows whether we are included in the 50 million Facebook profiles that have been hacked, will the Government reconsider their position and move to an opt-out basis in line with European Union law?

Matt Hancock: European Union laws allow for opt-in or opt-out. The Bill is about strengthening people's consent. To say that names will be taken forward as part of a legal action without their consent unless they opt out is against the spirit of the rest of the Bill. Having said that, we have listened to the debate in the other place and here, and we have said that within 20 months of the Bill coming into force we will review how the opt-in system is working, because we want this to be based on the evidence.

Jo Stevens (Cardiff Central) (Lab): The chairman of the Electoral Commission, Sir John Holmes, openly warned at the end of last year that a perfect storm is putting our democratic processes in peril. He called for urgent steps to deliver transparency around political advertising. Will the Secretary of State now answer that call as a priority?

Matt Hancock: The question raised by the Electoral Commission is a priority that we are considering, and we will have answers in due course.

Stephen Kinnock (Aberavon) (Lab): Andy Wigmore, who was director of communications for Leave.EU has described the services provided by Cambridge Analytica as "our most potent weapon" in the referendum. They are calculated to be worth in the region of hundreds of thousands of pounds. They were a donation-in-kind, not a penny of which was reported to the Electoral Commission. I wrote to the Electoral Commission about this last year, and I am pleased to say that it has launched an investigation. Does the Secretary of State agree that if it turns out that Cambridge Analytica has been in flagrant breach of our electoral rules, that would place a pretty huge question mark over the referendum result?

Matt Hancock: We have not seen any evidence of the impact of these things calling into question the outcome of any electoral event, whether an election or the referendum. What we need to do is make sure that these investigations take their course.

Ian C. Lucas (Wrexham) (Lab): The difficulty is that Facebook holds all the evidence, and we cannot have access to it. We know that Facebook approached probably everyone in this House before the last two general

elections, indicating that it wanted to help us to win our seats. Will the Secretary of State join those of us who are very concerned about this issue and ask Facebook to come clean about all the information that it has, where it got it from and how it used it?

Matt Hancock: There are increased powers of transparency in the Bill. Most importantly, the Bill has in it the power for the Information Commissioner to audit and therefore to demand information to undertake such investigations. Making sure that the Bill gets on to the statute book is the single best way that we can make progress on stopping flagrant breaches in the future.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): People across the nations using Facebook will be feeling betrayed by these revelations. They will feel that there must be an investigation and that lawbreakers must be brought to account. Given the Minister's assurances over Tory party involvement, will he guarantee that all political involvement uncovered in this scandal with Cambridge Analytica will be investigated transparently?

Matt Hancock: My instinct is absolutely yes. Of course, that is a matter for the Information Commissioner, rightly, because she is independent of political parties. The final answer on that is for her, but the hon. Gentleman can see where my instincts lie.

Julie Elliott (Sunderland Central) (Lab): In recent months, having listened to evidence in this area that has been given to us on the Select Committee, it is becoming clear that we have had a lot of half-truths and mistruths, to give the most positive description. The impact on elections and referendums is, to my mind, becoming clearer. We cannot prove it yet, but it is becoming clearer in that the data companies are not giving us evidence on what they do with the information and they are not coming clean on how they use it. What will the Secretary of State do to ensure that British people have confidence that their information is being used within the law and that our elections are absolutely fair, transparent and well reported?

Matt Hancock: I agree with the hon. Lady very strongly on the premise of her question. The first thing that we will do is listen very carefully to the report of

the Select Committee, which as I said at the start, is doing excellent work in this area. We insist that all companies comply properly with what the Select Committee says, and I think that it has plenty more work to do, as we are just discovering. We will not rest until we put this right, because, frankly, the quality of the liberal democracy that we live in depends on having a high-quality political discourse. That means making sure that online, as well as offline, we can have exchanges that are robust but based on reasonableness and an objective truth.

Ian Murray (Edinburgh South) (Lab): The allegations from the weekend that were uncovered by a brave journalist involved Facebook—it involved Facebook because that is the one that has been caught. Will the Minister assure the House that he will be calling every large company that may be attempting to subvert our democracy into his office to ask them whether they have been involved in any of these data breaches and whether they will come clean, so that we can be confident that our data are protected?

Matt Hancock: I hope that they have heard that, and I think it would be very sensible if they did.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The Minister spoke of the importance of our liberal democratic values. Is he aware of the very concerning attempts by Facebook to block the whistleblower in this case and of allegations that Cambridge Analytica has attempted to block the broadcast of a Channel 4 exposé into this tonight, using a law firm?

Matt Hancock: Of all the different things that have surprised me and shocked me in this revelation, the decision by Facebook to take down the whistleblower's Facebook account, and the removal of their WhatsApp account and the Instagram account, was the most surprising—[HON. MEMBERS: "Use a stronger word!"] I thought it was outrageous, and I will say why. Facebook has some serious questions to answer. It will tell its side of the story, but it has some serious questions to answer. To answer this by blocking an account, when at the same time, as we know in this House, it does not act fast enough to block other accounts of obviously outrageous behaviour—[*Interruption.*] Well, I will tell you what, it shows us that when it needs to, it can block things incredibly quickly, and it will have to do a lot more of that.

Secure Tenancies (Victims of Domestic Abuse) Bill [Lords]

Second Reading

5.30 pm

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Mrs Heather Wheeler): I beg to move, That the Bill be now read a Second time.

I am delighted to move the Bill's Second Reading. Hon. Members will know that domestic abuse is a devastating issue that has a serious impact on the lives of the victim and their family, and on society as a whole. It can be physical, psychological, sexual and financial, and when violence is involved, the victim and their family are placed in immediate physical danger. All forms of domestic abuse have long-term damaging emotional effects on the victim and their family, and place huge costs on society and the public purse. An estimated 1.9 million people in England and Wales suffer from some form of domestic abuse each year, according to crime survey statistics.

This short and focused Bill is an important part of the Government's wider aim of supporting victims of domestic abuse to leave their abusive situation and ensuring that they and their families are provided with the stability and security that they need and deserve. We are fortunate that the Bill has reached us after scrutiny in the other place. The amendments made there have improved its consistency and extended protections for victims of domestic abuse. I am aware that the Bill has strong cross-party support. I commend the Minister for faith, Lord Bourne, for successfully steering it through the other place and pay tribute to domestic abuse charities, particularly Women's Aid, for their contribution to ensuring that it is in such good shape.

Catherine West (Hornsey and Wood Green) (Lab): Will the Minister join me in praising the work of Solace Women's Aid in London? It does an incredible job for women who are survivors and victims—sadly—of domestic abuse.

Mrs Wheeler: I thank the hon. Lady for mentioning Solace, which has a very good reputation across London. It is quite right that it should get a namecheck in this place.

The Bill will do two things. First, it will ensure that if victims of domestic abuse who have a lifetime social tenancy need to flee their current home to escape abuse, they will be granted a new tenancy and retain their lifetime tenancy in their new social home. It will also apply to lifetime tenants who, having fled their homes, may be considered to have lost their security of tenure, or may have lost their lifetime tenancy altogether before they are rehoused. The Bill will specifically protect all lifetime social tenants in such circumstances, whether they have a secure local authority tenancy, or an assured tenancy with a private registered provider of social housing—a housing association.

Secondly, the Bill will ensure that victims of domestic abuse who are joint lifetime tenants and want to remain in their home after the abuser has left or has been removed can be granted a new lifetime tenancy after the joint tenancy has ended. We have Baroness Lister of Burtersett to thank for her persistence in ensuring that

the Bill should be extended to apply to that situation as well. The provisions will apply to all local authorities in England, and not only when the tenant is a victim of domestic abuse, but when a member of the household, such as a child, has suffered domestic abuse. The definition of domestic abuse has deliberately been drawn widely to apply not just to those who have suffered physical abuse and violence, but to victims of psychological, sexual, financial and emotional abuse.

The Bill delivers on a commitment the Government made to the House during the passage of the Housing and Planning Act 2016. We committed to ensuring that when local authorities move to fixed-term tenancies, the regulations that specify when they may grant a further lifetime tenancy would make that mandatory for victims of domestic abuse. Primary legislation is necessary for us to deliver on that commitment, and I am very pleased to be introducing it today.

I should make it clear that the Bill does not create a new requirement for local authorities to rehouse lifetime tenants who are the victims of domestic abuse, and does not require local authorities to grant a further tenancy to victims in their own homes after the perpetrator has left. However, it ensures that when a lifetime tenant is rehoused in those circumstances, or when a victim is granted a new tenancy in his or her home after the previous tenancy has ended, the victim does not lose security of tenure. The purpose is to remove an impediment that could prevent victims from leaving their abusive situations, or from taking steps to secure their safety in their current social homes. The Government are absolutely committed to supporting victims of domestic abuse.

Toby Perkins (Chesterfield) (Lab): That support for victims of domestic violence is incredibly important. Will the Minister say a little more about allocations policy, which seems to be applied very inconsistently in different local authority areas? If a victim of domestic violence moves from one area to a hostel in another local authority area, should that local authority have a responsibility for the tenant who is fleeing domestic violence?

Mrs Wheeler: The average stay in a hostel or refuge can be up to four and a half or five months, so a local connection is created. Most local authorities that deal on a workaday basis with people who need to be rehoused from refuges take the view that domestic abuse is one of the highest priorities when it comes to the reallocation of premises. I think that there needs to be a full and frank discussion about which is the best place for a family to move to, and the best place may be where the family have been for the last four and a half months.

Toby Perkins: It is true that some local authorities take the view that the Minister describes, but would it not be better if central Government made the rules clear? Allowing people who are fleeing domestic violence to stay in hostels for an extended length of time simply in order to develop a local connection is the wrong approach. Do the Government plan to put in statute the rights of victims of domestic violence in respect of future allocations?

Mrs Wheeler: That is a very good question, but I do not think there is the problem that the hon. Gentleman thinks there is. I have certainly never known that to be the case.

As I have said, the Government are absolutely committed to supporting victims of domestic abuse, which is why we have invested £33.5 million in supporting them since 2014. However, we want to go further. We are carrying out a fundamental review of the commissioning and funding of domestic abuse services, which will conclude this summer. I look forward to updating the House on its progress later in the year. We will also announce details of further significant funding for domestic abuse services as early as possible in the new financial year. It will be open to all local areas to bid for a share.

Leo Docherty (Aldershot) (Con): I am very pleased that the Bill is being introduced, but will my hon. Friend give us a little more detail about how information about the changes will be spread? My constituency is lucky to benefit from the work of the North East Hampshire Domestic Abuse Forum, led by the magnificent Karen Evans, which does a tremendous job of spreading such information. What provision does the Bill make for that sort of work?

Mrs Wheeler: The Bill is specifically about lifetime tenancies. The review of women's refuges is about provision across the country. Some areas specialise in sanctuaries rather than hostels or refuges; others specialise in hostels followed by move-on accommodation and the involvement of outreach workers. We intend to review all provision in the country, to close the review in the summer, and to report back in the autumn. We will be updating the House as we proceed.

The most recent lettings data show that in 2016-17, some 1.52% of all social lettings were to existing social tenants who cited domestic violence as the main reason why they left their previous social home. This may be a small proportion of tenants, but it is still more than 5,000 lives affected by domestic abuse, and those people can be supported better under the provisions in this Bill.

As Lord Bourne of Aberystwyth said in the other place, we understand and appreciate

"that there will be other circumstances in which it might be appropriate for local authorities to continue to offer lifetime tenancies at their discretion. We will set out those circumstances in regulations that we are currently developing."—[*Official Report, House of Lords*, 9 January 2018; Vol. 788, c. 136.]

I hope that that helps the hon. Member for Chesterfield (Toby Perkins). These regulations will be subject to the affirmative procedure, and the House will have the opportunity to debate them after they have been laid.

As I said at the start of my speech, this Bill has already faced scrutiny in the other place, and it reaches us in a much better shape as a result. This is a great example of how constructive cross-party efforts can have positive results, and I have been extremely pleased with the work going forward. I am grateful to colleagues on both sides of the House for taking so much time to talk to me about the Bill. I hope that all hon. Members can support this narrow Bill for a specific purpose. I look forward to our further helpful debates about the Bill.

5.41 pm

Melanie Onn (Great Grimsby) (Lab): I pay tribute to colleagues in the other place for their work on this Bill, particularly my party colleagues Baroness Lister of

Burtersett and Lord Kennedy of Southwark, who tabled amendments that helped to bring a Bill to this place that is fit for purpose.

The Bill arises from a legislative error in the Housing and Planning Act 2016. During the passage of the Bill that became that Act, the Conservative Government succumbed to Labour pressure on the issue of secure tenancies for victims of domestic abuse by offering assurances that the legislation would provide a guarantee that victims of domestic abuse would be granted an old-style secure tenancy, if they had one in their old residence.

Catherine West: Does my hon. Friend agree that since 2010 the situation for women and others escaping violent situations in the home has become much tougher due to a variety of factors, including the high cost of privately rented homes, the inaccessibility of social homes, the lack of resources for the police and the courts to deal with matters quickly, and cuts to legal aid? There has been a cocktail of difficulties facing women and others escaping violence.

Melanie Onn: My hon. Friend makes the important point that it is not a single issue but a variety of factors that has culminated in a very difficult situation for women and domestic abuse victims, who are in incredibly vulnerable positions.

Despite the intentions for the 2016 Act, it became clear that they had not been implemented. Ministers have acted quickly to rectify that situation by bringing this Bill to the House. I am pleased that the Bill is before us today and that dealing with the matter was not delayed until the introduction of the domestic violence and abuse Bill, as this is a matter of critical importance.

Housing insecurity has a massive effect on women's ability to leave abusive relationships and to start rebuilding their lives after managing to leave. A Women's Aid study showed that 63% of women in its refuges had spent over two years in their abusive relationship, with 17% spending over 10 years in it. Women's Aid also says that housing concerns are a major barrier for many women who are trying to escape domestic abuse, and that housing insecurity interferes with the processes that enable them to begin undoing the harms of domestic violence. The reality is that far too many women are put in a position where their only choice is between staying in an abusive relationship and ending up in a temporary accommodation system that is increasingly unfit for purpose. That is truly horrific.

Many women in abusive relationships also have children and other dependants whom they must consider when making their dreadful choice. That is why this Bill is so important. By providing security of tenure to those who previously held old-style secure tenancies, the Bill will remove a key barrier that prevents victims of domestic violence from leaving an abusive relationship and rebuilding their lives.

The Bill helps only a fraction of victims of domestic violence, however, and in one way. Such victims are the people who are forced out of their properties, abandoning friendships, communities, their children's schools and other family members. Rarely in our justice system do we see the perpetrator rather than the victim being forced to give up so much of their life. It is not right that victims of domestic violence should be forced to do just

[Melanie Onn]

that in such a sudden and immediate way. They often have to leave with little notice and have no opportunity to plan or secure future housing, schooling and many other needs. I am pleased to see that the Under-Secretary of State for the Home Department, the hon. Member for Louth and Horncastle (Victoria Atkins), in the Chamber to hear this. These issues cannot be solved without joint enterprise between Government Departments, and I am pleased that she is here to listen to the debate.

It is welcome that the Bill offers a secure tenancy to victims, but many will simply be unable to go through the process of moving into such a tenancy straight from their previous one. Many victims of domestic abuse will leave their abusive relationships with very few possessions and nowhere to go. This is why we need a fit-for-purpose refuge system to provide a safe haven for those with nowhere to go. Unfortunately, the current system is simply failing women across the country. Just this Friday, victims of domestic violence from Birmingham were offered accommodation in Burton and Milton Keynes, and even as far away as Manchester. Birmingham is not a small town experiencing a spike in referrals. It is a city of 2.5 million people that is sending victims 86 miles away because it does not have the capacity to accommodate vulnerable people.

Sadly, that fits into the national crisis under this Government. One fifth of specialist women's refuges have shut down under the Conservatives, and 60% of all referrals to refuges were declined in 2016-17 due to a lack of space. Furthermore, 95% of refuge managers have reported turning away victims with complex mental health needs, with physical impairments or with a large number of children over a six-month period because they simply did not have the means to accommodate and care for them. On a typical day, 155 women and 103 children are turned away from refuges. This national crisis needs urgent attention, but instead the Government are pressing ahead with their catastrophic reforms to supported housing funding that threaten the future of refuges as we know them. Charities such as Women's Aid, St Mungo's, Shelter and the Salvation Army all highlighted their concerns to the Government during the consultation period, and serious questions remain about the effect of the Government's proposals on refuges.

The reality for the funding of refuges is that, following an oversight—if I am going to be generous—by the Government, supported housing, including refuges, was included in the local housing allowance caps. A review into the funding of supported housing ended on 23 January, but the Minister has said today that there will be yet another extension, review and consultation, specifically with regard to refuge. It seems to me that when refuges are asking for security and reassurance for the sector when it comes to funding, another review will not help.

Mrs Wheeler: To set the record straight, it is not a review. It is an audit, and we have been asked by those in the business to do this.

Melanie Onn: I thank the Minister for that comment. I genuinely believe that this has been asked for as a result of the lack of clarity that came out of the Government's review that ended on 23 January. The sector

needs security and reassurance about its funding if it is to extend its provision and support the people who, as the Minister has rightly acknowledged, deserve all the support that the Government can afford to provide.

How can councils measure local demand when two thirds of victims of domestic abuse come from outside their local authority area? Are the Government finally ready to offer assurances to providers of refuges, and to guarantee that funding will be ring-fenced for 2021 and beyond and that the £500 million set aside by the Treasury for 2021-22 has been assigned to supported housing? According to Women's Aid, more than half of refuges will have to close their service entirely or reduce the number of spaces available if these reforms go through as proposed. Will the Government therefore use the end of the consultation period on 23 January to finally listen to the experts in this field and to reconsider their reforms?

One thing that the Government must do to remove some of the pressure on short-term supported housing providers is ensure that victims and their families are rehoused in their secure tenancies as soon as possible. However, social rent capacity—whether provided by councils or by housing associations—is in crisis. New social housing is desperately needed, but the Government funded fewer than 1,000 new homes last year. In 2010, Labour left the Government a legacy of 40,000 new social rental houses a year, because we knew that having readily available social housing stock around the country is critical for so many people, including domestic violence victims. The Conservatives have taken a wrecking ball to that legacy, with fewer than 1,000 social rental homes being built in the past year, a number dwarfed by the 13,500 social homes that were sold off under the Government's right-to-buy scheme.

That perhaps explains the Government's rationale behind the Housing and Planning Act 2016. Rather than allowing councils to offer a secure, stable home to those who need it and building a sustainable amount of social housing, the Government decided to rip the heart out of social housing by making social tenancies more insecure. I note that the Government have not published plans to go ahead with the change agreed in the 2016 Act, and I wonder whether they have seen sense and have reconsidered the changes that they proposed in 2016. If not, perhaps they will tell us today when they plan to implement the changes.

The Government must solve the myriad problems with provision for domestic abuse victims as soon as possible. The Bill before the House today represents a small step in the right direction, and we will support it, but this legislation should have been enshrined in the 2016 Act. As such, Labour will be particularly hawkish in ensuring that the Bill carries out its intended purposes and lives up to the guarantees that the Government gave in the other place. The Bill must ensure that the many women who move local authority area after being victims of domestic abuse can transfer the right to a secure tenancy to their new local authority. The Government guaranteed that after an amendment tabled by my colleague Baroness Lister, as the Minister recognised.

Victims of domestic abuse need support after leaving an abusive relationship, and knowing that a safe pathway out of an abusive relationship exists will ease many of the worries that prevent the ending of an abusive relationship. Much more needs to be done to make that

a reality. I hope that the forthcoming domestic violence and abuse Bill does much to improve provision, but we are happy to support this Bill's Second Reading.

5.51 pm

Giles Watling (Clacton) (Con): It is a great honour to speak in this debate, and I fully support this important and welcome piece of legislation. As the brother of three women, the husband of one, the father of two and, of course, the son of one, gender equality has always been at the top of my agenda, although I of course recognise that domestic violence can affect both men and women. I have recently been made aware that two women are killed each week by a current or former partner—a statistic that I am sure we all find chilling—and one of those women was my constituent Jean Chapman, who was murdered by her partner last year as she slept. It was a heinous crime, and I thank the hon. Member for Birmingham, Yardley (Jess Phillips) for bringing Jean's case and statistics relating to domestic abuse to the House's attention on International Women's Day.

Given the unsettling statistics, I am pleased that tackling domestic violence and abuse remains a key priority for this Government, and that Ministers are keen to build on the measures that have been put in place since 2010 to transform the way in which we think about and tackle these terrible crimes. I welcome that progress and would argue that, as we move forward, appropriate steps should be taken to tackle domestic violence and abuse and that support mechanisms should be in place for victims. It is positive news that the Government are now consulting on their approach to dealing with domestic abuse. The wide-ranging consultation will, I hope, address every stage of the Government's response, from prevention through to rehabilitation, and reinforce the aim of making domestic abuse everyone's business.

I am also pleased that the Government have recently confirmed an additional £20 million to support organisations working to tackle domestic violence and abuse, meaning that the total funding available for the strategy to end violence against women and girls will be more than £100 million in this Parliament. Steps have also been taken to ring-fence funding for organisations that work in the area of domestic violence, giving them greater financial certainty.

At a local level, I welcome the work that Essex police has been undertaking to make sure that Tendring district, which covers my constituency and part of that of my hon. Friend the Member for Harwich and North Essex (Mr Jenkin), is a safe and pleasant place to live, work and visit. That includes tackling domestic abuse, and I am pleased to report that incidents of domestic abuse in Tendring have fallen recently. I thank Chief Inspector Paul Wells—Tendring's district commander—and his officers for all their hard work, and I also thank Russ Cole, his predecessor, with whom I worked some years ago to create a video covering this subject. I must also acknowledge the work of Roger Hirst, Essex police and crime commissioner, and Nick Alston, his predecessor, for ensuring that domestic abuse is a priority for Essex police.

However, even with all that hard work, there were still 299 incidents of domestic abuse in Tendring in the past month alone. While I have no doubt that we have done good work, it is therefore clear that we must make

further progress and that everything must be done to help victims of domestic abuse leave their abusive situation, while ensuring that they and their families are provided with the stability and security that they need and deserve. That is why this Bill, which I am pleased to say has cross-party support, is so important. It guarantees that victims of domestic abuse can access lifetime tenancies. Victims must never be kept in an abusive situation because they fear they will be homeless if they leave, and the Bill will ensure that that is not the case.

It will come as no surprise to the House that, according to analysis by the Ministry of Housing, Communities and Local Government, the Bill will lead to a reduction in domestic violence. It will also bring benefits to children in need, half of whom are affected by domestic violence. Research in 2008 estimated that the overall cost of domestic abuse to both victims and society was approximately £16 billion annually, including an estimated cost to UK employers of £1.9 billion a year due to absences resulting from domestic abuse injury.

Right now, there are people living in fear in this country: fear of a partner's return; fear of the mood that partner might be in; fear of further abuse, both mentally and physically; fear for their children; and fear for their very lives. No one should have to live under such circumstances, and we as parliamentarians can do something about it. By passing this Bill, we are going a long way to doing something about it.

Several hon. Members *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): I call Gavin Newlands.

5.56 pm

Gavin Newlands (Paisley and Renfrewshire North) (SNP): Thank you, Madam Deputy Speaker—it is pleasure to see one of Renfrewshire's ain back in the Chair for tonight's debate.

I am pleased to follow the hon. Member for Clacton (Giles Watling), but I suggest—I mean no offence towards the hon. Gentleman or criticism of him whatsoever—that he does not need female relatives to give him permission to speak on gender equality or domestic violence. On social media and elsewhere, it has become common for men to list their daughters or their various female relatives as a preface to making comments on domestic violence or any related subject, but it is a societal issue, so we do not need permission to talk about it.

Despite this being a Bill that affects only England, I am nevertheless grateful to be able to participate in the debate and express my support for the Bill and the continued protection that it will hopefully provide to those fleeing domestic abuse. As we debate the Bill, which would be unnecessary in Scotland where we have not gone down the road of limiting tenancy agreements, it is worth reminding ourselves that the torment that survivors of domestic violence experience sadly does not end at the moment when they escape the violence and abuse. The traumatic events will have an impact on their lives long after they have fled from their abuser. Sadly, whether it be due to lack of space at local refuges or a lack of training or resources in local government, the system all too often lets down the abused, and often the children fleeing with them, at the most vulnerable point in their lives.

[Gavin Newlands]

It can sometimes be too easy when discussing this issue to make it a binary debate focusing on the abused and the abuser, but abuse of any kind not only affects the person on whom the behaviour is directly inflicted but has an impact on the entire family and disrupts their lives, too. The decision to flee an abusive partner is not an easy one, particularly when children are involved, and the decision is often taken after months or years of abuse, or when the woman has simply reached breaking point or becomes concerned for the safety of her children. The crucial point to make is that they are extremely anxious and frightened, and they leave trusting that the local housing service will help them in their time of need and secure immediate accommodation for the family.

After speaking to several housing officers, I know that they are fully committed to helping women in such situations and leading them hand in hand through the often complicated housing system to avoid any further unnecessary stress. Unfortunately, though, as we have heard, schedule 7 to the Housing and Planning Act 2016 will require that new secure tenancies be offered for only between two and 10 years. When that legislation was being debated, hon. Members and peers from across both Houses rightly pointed out that it might mean those fleeing domestic violence losing their lifetime tenancies. This is a vital point, as we in Parliament really should not pass legislation that makes it harder for anybody to leave an abusive relationship. When somebody decides to escape violence, what they are looking for is safety, stability and security. The removal of a lifetime tenancy can remove that stability and security that survivors are seeking for themselves and their families. It is only right that we attempt to correct that, and I appreciate that the Bill has backing from Members from right across the House, as it rightly should, and that, in this case at least, the Government recognised this issue quickly and have taken action to fix it.

I mentioned previously that I have had discussions with housing officers, which provided evidence of their commitment to help those fleeing domestic violence, and that is backed up by my casework. However, as a member of the all-party group on domestic violence, I note the points made by Women's Aid about the existence of a postcode lottery in how local authorities deal with domestic abuse cases. The "Nowhere to Turn" report highlights the variations in approach, finding that 19% of the women studied were prevented from making a homelessness application due to the housing officer's assessment that "no local connection" existed and therefore the local authority had "no duty" to help the women and children who presented to it.

The report highlights how many local authorities are ill equipped to assist survivors appropriately and are still erecting administrative barriers in their way. Improving training and understanding is therefore crucial to ensuring that all survivors who need a secure tenancy when escaping domestic violence can access it. Training will help to break down some of the problems that exist, including the fact that too many officers still insist on a local connection when they assess someone's housing needs. We need to accept that many survivors will flee to a different local authority area to get as far away from their abuser as possible.

Domestic abuse is not always an easy issue to deal with—in fact, it rarely is—so proper training is vital for those dealing with survivors in any capacity. For example, the Scottish Government have committed to training 14,000 police officers and staff to ensure that the new domestic abuse legislation can be implemented effectively. It would be good to hear the Minister commit to ensuring that all housing officers will be trained appropriately, ensuring that comprehensive, specialist and face-to-face training is delivered to them, as they are often the first point of contact. Furthermore, I hope she will lobby the Home Secretary to persuade her that all English and Welsh police officers and staff should be fully trained to deal with the Government's new domestic abuse legislation, which we hope to see on the Floor of the House soon.

I know you like talking about Scotland, Madam Deputy Speaker, so let me make the point that it is likely that someone living in England will flee to Scotland, or indeed to Wales or Northern Ireland, to present as homeless to escape violence. I hope that the Government will keep us up to date on discussions with the devolved Governments to ensure that co-operation on helping those fleeing domestic violence extends into the constituent nations of the UK. As I have said many times before in this place, it matters not to me whether a woman is abused in Renfrew or Runcorn, Paisley or Penarth; this problem is societal, across the UK, and we need to work together to end it. So on this issue, at least, this Scottish nationalist fully supports a consistent approach across the UK.

Even though I welcome the fact that the UK Government are correcting a particular mistake with this Bill, they should not for one minute allow themselves to think that their work in this area is done. It would be remiss of me not to mention that their proposed funding model for short-term supported housing would be disastrous for refuges. During her International Women's Day speech in Downing Street, the Prime Minister stated that she was committed to "sustainable funding", which is welcome in itself but meaningless if refuges are still forced to close. I heard what the Minister said about the audit, but the Government need to fix this and provide clarity as soon as possible.

In conclusion, I welcome today's Bill and hope that it will offer the safety, security and stability that people fleeing domestic violence are entitled to. However, the Government could and should be doing a lot more to help those experiencing abuse of any kind. We need to build on this legislation by introducing comprehensive training for housing officers to help eliminate the postcode lottery on the support provided. We must also be mindful of the very real threat of a changed funding model to the future of women's refuges. This Bill aims to provide stability for those fleeing domestic abuse, but if the Government fail to provide a long-term, distinct and sustainable funding model to support women's refuges, we face the strong possibility that centres will close, removing the safety, stability and security that survivors of domestic violence are looking for and should receive.

6.4 pm

Robert Courts (Witney) (Con): It is an honour to make a brief contribution to this debate on a much needed and welcome Bill, which I am glad has cross-party support and which I support fully. When I was practising

at the Bar, I came across many people. As many Members who have also practised in that field will realise, one of the most common emotions encountered there is fear. Sometimes that is people's fear of the consequences of things they have done, but unquestionably the most moving is people's fear as a result of what has happened to them or what may happen to them in the future.

Victims of domestic violence have some of the most terribly moving stories, and the issue of control runs through the whole domestic violence situation. Sometimes we are talking about control of things as basic as who can be spoken to or the control of money or of what somebody does, but there can be no greater control than the control of where somebody lives. When someone is suffering from abuse and needs to leave that relationship, the extra fear and worry of where they and perhaps their children are going to go adds a whole other layer. I will always remember the people I met who were in precisely that situation, which is why I am so pleased that the Government are introducing this much needed and welcome Bill.

I entirely support the Bill, as it is essential that when those tenants are leaving lifetime tenancies, they are able to be rehoused in the same sort of accommodation as soon as possible. The policies vary in district councils across the country. My local authority of West Oxfordshire grants special case status if accommodation is unsuitable because the continued occupation of the property is likely to lead to violence, but we must go much further, so that anybody who has to leave understands and knows that they will also have that lifetime tenancy.

I am glad that, statistically, domestic violence appears to be falling, but clearly one incident is far too many and we must do everything possible to assist those who are in that situation. I am also glad that the Government are providing £100 million of funding to tackle violence against women and girls, including £17 million for the transformation fund.

I want to say a word or two about social housing, because it is important that we do have social housing available. I am glad this Government have been building more council housing since 2010 than we saw built over the previous years of the Labour Government. I am not saying that just to make a party political point; I am simply saying that we have to have that social housing in order to ensure that if there is a family break-up for reasons of domestic violence, we have the property available for someone to go to and that that will remain the case.

Toby Perkins: On the amount of council housing that there is, a tiny amount is being built and that has been the case for many years, including under the previous Labour Government. Does the hon. Gentleman agree that a huge number of councils would love to get building more houses but simply say, "We can't risk building new houses only to have them bought off us under right to buy within three years"? Would he support some kind of moratorium so that for brand new houses built by councils there would not be a right to buy for perhaps 20 or 25 years, so that more councils are encouraged to build houses?

Robert Courts: I am grateful to the hon. Gentleman for making that interesting point, although I do not agree with him on it. Right to buy has been a great engine of social mobility. I believe the statistic is that

more than 85% of people would like to buy and own their own home, and we ought to facilitate that in any way we can. We have to enable the building of more social and affordable housing, of all tenures—that is the way forward. In my area, West Oxfordshire District Council is being innovative in working with local landowners and providing some of its own money to help with affordability issues. That is the way forward to address that particular issue.

Matt Western (Warwick and Leamington) (Lab): Does the hon. Gentleman agree that one of the best opportunities for local authorities to provide some of this housing is for them to use the assets in their portfolio—that is, their land—to start to build council housing and to prioritise social housing?

Robert Courts: Yes, that should certainly be encouraged if councils have assets and land in their portfolios and it is available for use. That can certainly happen in my area, where possible. Of course, the difficulties arise where councils do not have the land available. In somewhere like West Oxfordshire, land value and prices are at the heart of the affordability issue. If councils have the ability to do that, it should certainly be considered. Councils have a role, as do housing associations, in the provision of social and affordable housing of all tenures. Social housing is very much at the heart of this issue.

I very much welcome the Bill. The proposals before us are intended to help the most vulnerable at the time in their lives when they most need help. I very much welcome that intention and effect.

6.10 pm

Wera Hobhouse (Bath) (LD): The Bill is a welcome step towards the provision of increased security and stability when those fleeing domestic violence are rehoused, and I definitely support it. Survivors should never be trapped in an abusive relationship for fear of losing their right to secure housing. The lack of safe, affordable housing is the single biggest barrier to people leaving abusive relationships. How can somebody leave when there is nowhere to go?

In December, Women's Aid reported that of the 113 women killed in the UK last year, nine out of 10 were killed by their current or former partner or by another male family member. According to the Office for National Statistics, two women a week in England and Wales are killed by their partners or ex-partners. Those are not just appalling figures, but real people whose lives have been destroyed.

It is only right that social housing lifetime tenants who need to leave their home, often because their lives are at risk, are granted a further lifetime tenancy when they are re-housed. However, it must be said the Government's plans to change refuge funding will undermine the Bill's aims. By removing refuges' last secure form of funding from housing benefit payments, the proposed changes will prevent survivors from escaping domestic abuse. The Government must understand that if they underfund the refuges that provide a safe haven for those fleeing domestic violence in the first instance, the Bill will fail to achieve what it has set out to do, which is to save lives.

I hope that those undertaking the Government's review of the commissioning and funding of domestic abuse services will listen to what is said in the Chamber today. I eagerly await the domestic violence Bill that the

[*Wera Hobhouse*]

Government have promised will come in this Parliament. Cuts to local authorities have meant less funding for domestic abuse services, which have suffered. As we have heard, some services have had to refuse referrals from victims because of lack of capacity.

One main issue is that the Bill's success will depend on the training of local housing authority staff to guarantee that its objectives are implemented on the ground. That is important, not least because the Bill does not create a new statutory requirement for the rehousing of lifetime tenants who are victims of domestic abuse, but will instead ensure that if a lifetime tenant is rehoused, it will be with a lifetime tenancy.

Furthermore, to be able to house these women in safe and affordable social housing we must have enough safe and affordable housing. In 2016-17, some 12,600 homes were sold under right to buy, and, as was just mentioned, we continue to lose social housing, with only 5,000 new social homes built in the same period. Our social housing stock is at a record low. The Bill will be able to deliver on its promises only if a large amount of new social housing is built.

Under the Housing and Planning Act 2016, housing associations will retain discretion over whether or not to offer a flexible tenancy. In some areas, such as Bath, housing associations will be the only registered social landlord. What advice will the Government give to housing associations, which will not have the same obligation to give a lifetime tenancy if a tenant moves to another housing association property? It is issues like that that must be resolved if we want the Bill to achieve its objectives. I welcome the Bill and its aims, but urge the Government to put their money where their mouth is.

6.14 pm

Andrew Lewer (Northampton South) (Con): The Bill is a good example of legislation not having to be contentious to be worth while and, indeed, to be worth a decent debate. From reading the speeches on the Bill in the other place, it is clear that such a sentiment prevailed there, even when the stronger levels of collegiality that customarily define that place are taken into account. Lord Bourne and Baroness Lister were especially prominent in the debates and brought to light some technical but important components of the legislation. Their work was subsequently added to by the as ever superb work of the Commons Library staff and Wendy Wilson in particular.

As a former director of a housing association, Dales Housing, involved in the stock transfer of Derbyshire Dales District Council's former council housing, I have seen benefits flowing from such arrangements. To reflect a little on the comments made by the hon. Member for Bath (*Wera Hobhouse*), I was surprised to see, for what seem to be quite technical reasons, a situation wherein tenants of housing associations are less protected by legislation than traditional council house tenants, as is the case here. I therefore echo and, indeed, reinforce the remarks of Lord Bourne in stressing that housing associations not only do a lot of work in support of victims of domestic violence, but recognise the spirit of the Bill as much as possible in their decision making about new secure tenancies for domestic violence victims, even though they are not as bound by it in law. During the

research I carried out for this speech, I was pleased to discover that the arm's length management organisations that, via Northampton Partnership Homes, are responsible for the bulk of the social housing in my constituency will be covered by the Bill.

This speech is not a bid for a change of status within the Palace of Westminster, Madam Deputy Speaker, but I beg your and other Members' indulgence in my again referencing a Member of the other place—in this case, Lord Kennedy, who highlighted a significant concern of mine and, I suspect, of many other Members, when he talked about domestic violence victims being charged for letters of evidence of abuse. With regard to solicitors' letters, notwithstanding the legal aid dimension, there may be little that can be done, but with regard to GPs' letters, action is possible and certainly desirable. It appears that fees of approaching £100 can be charged by GPs for letters of evidence of domestic abuse. Even if much less than that is charged, I think that it would be seen as wrong. It may be within the letter of GP contracts as they currently stand, but it is wrong nevertheless. I am sure that many GPs would not levy such charges to the vulnerable and would see the fact that in theory they could do so as irrelevant. Furthermore, it is true that imminent changes to data protection law will allow for some help for victims to obtain some medical information without charges, but "some information", which means pretty raw data and printouts, is not the same as the tailored and specific GP letter that they actually want.

It all brings to mind an experience that I had as leader of Derbyshire County Council, when a local GP wanted to charge an extortionate amount of money to a lady in her 80s who wanted to vote by proxy on health grounds. In that case, a good dose of publicity secured a free letter for the lady, but publicity and victims of domestic violence obviously do not go together, although the shame for the GP in question would be all the greater. I am therefore interested to hear what progress has been made since the House of Lords debate on the Bill, in respect of GPs, their contracts and their receipt of public money placing on them additional obligations to act in the public interest. Will the Minister say what can be done to ensure that huge charges—preferably any charges at all—are not levied for people likely not to be able to pay and who do not need any additional stress in their lives at that point?

6.19 pm

Matt Western (Warwick and Leamington) (Lab): I very much welcome the Bill and its variation to the Housing and Planning Act 2016. In particular, I welcome the fact that it will seek an exemption for survivors of domestic abuse, so that councils will be compelled to offer life-time tenancies to those victims being offered local authority housing. Clearly, this addresses the concern that, in being offered a less secure tenancy, it would be for the victim to take the difficult step of moving away from the home where the abuse is taking place. I am very much in support of this variation. In fact, I share the conviction that lifetime tenancies should be reinstated for all tenants, not just for those who are victims of domestic abuse.

However, my support for the Bill—I echo many of the comments that have been made in the Chamber—is diluted by the fact that it does not cover housing association tenants, and this appears to be a major flaw, an inconsistency

in recognising the needs of such victims. As Lord Bourne and the hon. Members for Bath (Wera Hobhouse) and for Northampton South (Andrew Lewer) said, comprehensive action is required.

On many occasions in recent weeks, we have debated the huge homelessness crisis facing this country. It is worth reminding the House that insecurity of tenure—fixed tenancies do not provide security—is a contributory factor in so many cases, but for women in particular and all victims for that matter, that leads to the plight of homelessness.

Although I welcome the Bill, I very much hope that the Minister will listen to my points, particularly those on social housing, and include them. None the less, I very much welcome the spirit of the Bill.

6.21 pm

Toby Perkins (Chesterfield) (Lab): I rise to speak briefly on this Bill. Like other colleagues, I welcome the limited but important steps that the Bill takes to ensure that one thing that victims of domestic violence do not have to consider when facing choices about their housing is whether they will lose their secure tenancy. It is important that this is clarified for victims of domestic violence. We all feel strongly about them and we all wish to protect their interests at what we know is an incredibly difficult time.

The debate has raised a couple of other issues on which I wish to touch. More broadly, there is the point about how well we, in this place and as a society, support victims of domestic violence with regard to housing and some of the other issues that have been raised today. Importantly, I am very conscious of the fact that there should be security for victims of domestic violence, who have often been left with absolutely no security—no financial security—and in psychological turmoil, as well as with the physical scars that have come from the situation from which they are fleeing.

The earlier exchange that I had with the Minister raised some important questions about the allocations policy for victims of domestic violence. In her response, she talked about the fact that, when it comes to victims who have moved into refuges, many authorities will consider that, because they are often there for four or five months, they have developed a local connection and will then consider that they should be allocated a property. From my perspective, the minute that someone flees domestic violence, we should recognise that the circumstances that they face are different. Often they need to escape their local connections, because it is those local connections—the wider family unit—that they are escaping from. Therefore, it is crucial that they can get to a place where they do not know anyone and where they do not have those local connections.

The Minister said that I was talking about something that did not really exist, but when I visited the Elm Foundation, an important domestic violence refuge in my constituency, precisely that issue was raised. The staff said that they faced different circumstances depending on which local authority they were dealing with. That is why I believe that it would be useful for the Government to clarify more broadly that we do not operate a postcode lottery here and that the rights of domestic violence victims should be the same wherever they live in the country. There should also be a recognition that once someone finds refuge in a hostel and is accepted by that

hostel, a local connection should be established immediately at that point. They should not be stuck in the hostel for a long period to establish some kind of local connection. The moment that they and their family unit are ready to move on from the hostel, they should be accepted by that local authority area as having a local connection.

It is impossible to separate the needs of domestic violence victims in our social housing environment from the wider crisis that exists around social housing, homelessness and pressures on local authorities. That is why I took up the point that the hon. Member for Witney (Robert Courts) raised about right to buy. I very much support the right to buy. In its broader context, it plays an incredibly important role. My sister has just moved into a council house and is delighted to know that she is one of the last to get a secure tenancy and is delighted to know that there may be an opportunity in the future for her to take over the ownership of that property. However, an exemption should be put in place for brand new council houses. In Chesterfield, we have about 9,500 to 10,000 council houses, and a council that is very enthusiastic about taking up the opportunity to build more council houses. However, it also says that it would be unaffordable for it to build a new estate of the size that Chesterfield Borough Council used to build in the past, because, within three years, it would be vulnerable, as a large number of those houses would have been bought by tenants.

Wera Hobhouse: Does the hon. Gentleman agree that the system would only really work if we replaced like for like? If a social house has been lost through right to buy, we should replace it. That requires large Government subsidies. The fact that those are not forthcoming means that we are losing large numbers of social homes.

Toby Perkins: I partly agree with the hon. Lady. A big flaw in the original right to buy policy was that the same number of houses were not replaced. That was a deliberate political decision. I do not think that Mrs Thatcher wanted to see large numbers of tenants in council houses. She introduced the policy with a view to reducing the number of council house tenants. Like with so many other policies, she wanted to reduce people's dependence on the state, because she thought there was a political purpose for doing so. Therefore, there was a flaw in the original policy.

I would certainly like to see more council houses being built and some kind of link between the number being built and the number being sold off. To an extent, these are two different questions. There is one question about whether we replace the number of council houses. Some Members want to see more council houses built, but we should have a specific exemption from the right to buy on brand new properties, so that those council houses could regenerate the money for local authorities before they are expected to sell them. Councils would then be more enthusiastic about building more council houses.

If we head back to the 1980s when the Thatcher Government introduced the right to buy, we can see that a very reasonable point was being made at the time. It was that local authorities had built these houses and that families had lived in them for 30 or 40 years and had spent in rent far more than they would ever have spent if they had bought their houses in the first place. Therefore, it was perfectly reasonable for them to say,

[Toby Perkins]

“Well, look, I have already paid for this house many times over.” Getting a discount when they bought their houses seems very reasonable, and I support that entirely.

None the less, if we want local authorities to build more council houses in any substantial way—there is a real need for that now—a moratorium should be introduced. I will encourage my colleagues on the Front Bench to develop this as Labour party policy. In those early years, councils could build the required number of houses, giving domestic violence victims and others the opportunity to move into them—I say this without in any way wanting to undermine the value of the right to buy as a policy more generally—and that is how we will achieve the council house building that we need.

I very much welcome this Bill, but we cannot discuss the impact of policy on domestic violence victims in the round until we address issues such as housing allocation for domestic violence victims and the shortage of council and social housing more generally. Notwithstanding that, this Bill is a welcome step forward that I look forward to supporting.

6.30 pm

Tony Lloyd (Rochdale) (Lab): I think that I can probably say without contradiction from the Chair that this has been a wide-ranging debate. Nevertheless, it has been an important one. I congratulate hon. Members on both sides of the House who have contributed. We heard excellent speeches from the hon. Members for Clacton (Giles Watling), for Paisley and Renfrewshire North (Gavin Newlands), for Witney (Robert Courts), for Bath (Wera Hobhouse) and for Northampton South (Andrew Lewer), from my hon. Friends the Members for Warwick and Leamington (Matt Western) and for Chesterfield (Toby Perkins), and from the two Front Benchers: the Minister and my hon. Friend the Member for Great Grimsby (Melanie Onn).

I say kindly to the Minister that we need some assurances that what the Government claim that the Bill will do is actually what it will do. This will be an important point to consider in Committee. Before we start proceedings in Committee, I hope that she will write to me and my colleagues on the Opposition Front Bench so that we can ensure that we understand exactly the legal implications of the Bill.

There is a recognition across the House that we have a duty not only to do everything we can to stamp out domestic abuse and violence—of course we must do that—but to recognise that stamping it out may be an ideal. There will still be victims, so we must do everything we can to support them against the perpetrators by preventing those perpetrators from operating, and by ensuring that there are no artificial impediments to people moving out of and away from situations that put them in danger.

Two women are killed every week in this country as a result of domestic abuse. Throughout my life I have met many people who have told me the most horrendous stories about being trapped in domestic violence. I particularly think of a woman who was into her 70s and had been married for many decades before finally summoning up whatever it took to break the bonds of that relationship. We have to ensure that we do not place artificial barriers in the way of people leaving such situations.

I think that there is a common view across the House on the very real issue of training, which was mentioned by the hon. Member for Paisley and Renfrewshire North. When I was police and crime commissioner for Greater Manchester, every frontline officer there was retrained to recognise domestic abuse. That had previously not been done properly, and that was not only because there was sometimes a lack of empathy or ambition. People simply did not always recognise what abuse was all about or what they as individuals could do to combat it. Training people within the framework of housing is of fundamental importance to ensuring that we have the cultural capacity to help victims of domestic abuse.

The hon. Member for Northampton South made an important point about barriers. It may be a small thing for a Member of Parliament to pay for a letter from a solicitor, a doctor or whoever it might be, but somebody who is fleeing domestic abuse may simply have no capacity to find the resources to pay for a letter of evidence, which can become a barrier in its own right. We need to look at such issues, so the hon. Gentleman was absolutely right to make that point.

I want to press the Minister to comment on a few matters in her response, although we will need to return to a number of these points in Committee. I begin with the important point raised by my hon. Friend the Member for Chesterfield (Toby Perkins) about people who move across boundaries. My hon. Friend the Member for Great Grimsby mentioned women being asked to travel from Birmingham to find a place in a refuge in Manchester. It might on occasion be a good thing for women to break ties, and that can be a perfectly sensible opportunity to do so, but I have known of cases in which women have been asked to travel many miles not because they need to break those chains, but because no alternative refuge space is available. If women in such circumstances do not have their rights guaranteed under the Bill, frankly we will not have moved the situation on for that subset of domestic abuse victims. I would be grateful if the Minister would write to us to clarify how a different local authority is caught by this legislation, as that is not automatically obvious from the Bill. It is important that we have certainty about what its words will actually mean when tested, for example in a court of law.

I want to make a fundamental point: even now, at a time when there are secure tenancies—when the situation is as it was before the amendments through which the Government sought to get rid of the old-style secure tenancies—a significant number of women leaving refuges are moved into continued temporary accommodation. It is an interesting but shocking statistic that 22% of women who arrived in refuges in a particular year had a secure tenancy on arrival, but only 13% had a secure tenancy on departure. We need to reflect on that because it means that, even before this legal change, the situation does not guarantee that people leaving secure tenancies move back into those secure tenancies. The hon. Member for Paisley and Renfrewshire North referred to the Scottish context, and it is worth our thinking about that. I am very supportive of the Scottish Government’s position—I think that this is also the position in Wales—of maintaining the old-style secure tenancies, but if the system is not working even now, because those in flight from domestic abuse do not move from secure tenancy to secure tenancy, we have a systemic problem that we need to look at.

Of course, not every person leaving a secure tenancy will qualify for an offer of rehousing by an appropriate housing authority. I want to give the Minister the opportunity to pause for thought on this point. Will she be clear about whether the offer by a housing association is covered by the Bill? It is clear from the Department's explanatory notes that somebody moving from a secure tenancy within a housing association to a local authority tenancy would be offered an old-style secure tenancy, but it is not obvious that somebody leaving an old-style secure tenancy of any kind who is offered rehousing by a housing association would automatically qualify for an old-style secure tenancy. This is not a matter of trivia; it is an important issue. Of course, not everybody who moves as a result of domestic abuse will find themselves in a position to be offered a tenancy at all, and we must look at whether this is still a continuing barrier.

The Government were dragged into this situation—I say that kindly—having made a mistake in the original legislation. They faced defeat in Committee at that time because of a combination of their own Back Benchers and, of course, the Labour Opposition. The Government rightly recognised that they had to do something, and it has taken two years for the Bill to come forward. We obviously welcome the Bill, but it is important that we make sure that what it is claimed that it will do will really happen in practice.

6.40 pm

Mrs Wheeler: With the leave of the House, Madam Deputy Speaker, I am grateful to have the opportunity to respond to the debate.

As I set out in my opening speech, the Bill forms part of the Government's wider work to support victims of domestic abuse. Some £20 million of spending supports 80 projects with more than 2,000 bed spaces, helping to build a new life for domestic violence victims in safety and security. The Bill removes an impediment to victims of domestic abuse from being able to escape their abusive situation. It ensures that those who have a lifetime social tenancy and need to flee their current home so as to be safe from abuse are able to retain their lifetime tenancy in their new social home.

The Bill was improved in the Lords. As a result, it also covers a situation where a victim of abuse who is a joint lifetime tenant and wants to remain in their current home after the abuser has left or been removed can be granted a new sole lifetime tenancy in their social home. We have ensured that the Bill covers off circumstances in which a victim of domestic abuse who has or had a lifetime tenancy is seeking a new tenancy as a consequence of that abuse. This may be a short Bill but, as I am sure that we all agree, it is an important one with the potential to make a real change to victims' lives.

A few questions were raised during the debate. In response to the hon. Member for Chesterfield (Toby Perkins)—I will read this word for word, if I may—"A further Government amendment was made to the existing provisions of the Bill for victims who move to cover the scenario where the tenant has lost her security of tenure or no longer has a tenancy at all after she has fled her home. The amendment means that in this circumstance she will still be granted a lifetime tenancy in the new council property so long as the new tenancy is granted for reasons connected with the abuse." I think that that answers his question.

Toby Perkins: Will the Minister give way?

Mrs Wheeler: No, I will not—I have to move on.

My hon. Friend the Member for Clacton (Giles Watling) brought up the matter of domestic violence as a priority for Essex police. I am very grateful for that. Councils have been given large amounts to help them to support people in this regard, and training on domestic abuse has been provided from that funding pot.

My hon. Friend the Member for Northampton South (Andrew Lewer) mentioned GPs charging for letters. The provision of notes or letters as evidence falls outside a GP's NHS contract, so a fee can currently be charged. This issue was raised in the Lords, as we heard, and Lord Bourne of Aberystwyth has already written to the Department of Health and Social Care about it. While we await a response, it is important to note that GP contract negotiations for 2018-19 are still ongoing and negotiations for the 2019-20 contract begin in April. We look forward to receiving the details of that response.

We have had a very good debate. There is cross-party support for the Bill. I am grateful to everybody who has been involved in the debate and hope that I have dealt with the points that have been raised. I commend the Bill to the House and look forward to discussing it further during its later stages.

Question put and agreed to.

Bill accordingly read a Second time.

Madam Deputy Speaker (Dame Rosie Winterton): We now come to the programme motion. I must inform the House that paragraph 5 of the motion on the Order Paper should refer to Third Reading being brought to a conclusion three hours after the commencement of proceedings on consideration, not on Third Reading.

SECURE TENANCIES (VICTIMS OF DOMESTIC ABUSE) BILL [LORDS] (PROGRAMME)

Motion made, and Question put forthwith (Standing Order No. 83A(7)),

That the following provisions shall apply to the Secure Tenancies (Victims of Domestic Abuse) Bill [Lords]:

Committal

- (1) The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

- (2) Proceedings in Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 27 March.

- (3) The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Proceedings on Consideration and up to and including Third Reading

- (4) Proceedings on Consideration and proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion two hours after the commencement of proceedings on Consideration.

- (5) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of proceedings on Consideration.

(6) Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.

Other proceedings

(7) Any other proceedings on the Bill may be programmed.—
(*Paul Maynard.*)

Question agreed to.

Welsh Affairs

6.44 pm

The Secretary of State for Wales (Alun Cairns): I beg to move,

That this House has considered Welsh Affairs.

I commend the Backbench Business Committee for recognising the importance of holding this debate on Wales. I thank my right hon. Friend the Leader of the House for agreeing to reschedule the debate from St David's day, in the light of the weather, and to hold it now in Government time. I pay tribute to the hon. Member for Ynys Môn (Albert Owen), who originally secured the debate by persisting with the Backbench Business Committee and gaining a positive outcome. I am sure that the debate will be wide-ranging, constructive, and even provocative at times. Whatever issues are considered, I am confident that we will all have the best interests of Wales at heart.

I think the whole House will want to pay tribute to Lord Crickhowell, the former Welsh Secretary—the longest-serving Welsh Secretary—who sadly died today. A statement was made in the other place. I have many fond memories of him, as I know many other hon. Members will, and we know the challenges he faced and the stability he brought to Wales with his vision. Cardiff Bay is an obvious example, as is the establishment of S4C, and there were so many other changes thanks to the influence he brought to bear across government.

It is also important to pay tribute and respect to Lord Richard, who also died today. He contributed significant work to the devolution debate through the Richard commission, which played a significant part in establishing a foundation for the further advancement of devolution in Wales. Our thoughts and respect go to the families of both Lord Crickhowell and Lord Richard.

If this debate had been held on the originally planned day, it would have been associated with a whole host of initiatives and gatherings here in London to recognise issues facing Wales, and highlighting the best that Wales has to offer, as part of Wales Week in London. More than 80 events were held in areas from culture and sport to business and the economy. There were events at No. 10 Downing Street, at the Foreign and Commonwealth Office, here in Parliament and at Lancaster House, where the Welsh Government scheduled their events. Unfortunately, Ken Skates, the Welsh Government Minister, could not be there, but I was happy to step in and to support his actions and his wishes. There were also events across London at various headquarters of UK and international businesses that have strong interests in Wales or are seeking to invest in Wales. Wales Week in London was a fantastic success. Being Welsh, it lasted much longer than a week, and probably longer than a fortnight.

In recognising those events, I pay tribute to Dan Langford and Mike Jordan, who initiated the concept of Wales Week in London. All the events have become part of a successful time in the Welsh calendar on and around St David's day. The week has been jointly supported by the UK and Welsh Governments, appreciating that as we leave the European Union, the more outward-looking and ambitious we are, the stronger our position as we grasp the new opportunities ahead.

David Hanson (Delyn) (Lab): Indeed, 1 March would have been a very special day for the debate. Would it not also have been a special day to announce the finalised growth deal for north Wales, given that one was announced for other parts of Wales on that day, and given that there has been a tremendous amount of work on it? We have now had the spring statement. Will the Secretary of State give some indication of when he will announce the funding and outcomes for the growth deal in north Wales?

Alun Cairns: I am encouraged by the sense of urgency from the right hon. Gentleman, and from other Members from north Wales. He will well know, however, that this is a matter for local partners, because we can respond as quickly as possible as they develop and bring forward their initiatives and ideas. We are making very good progress. My hon. Friend the Under-Secretary was in north Wales last week, working with local partners—local authorities and businesses—to progress the case as quickly as possible.

David Hanson: I am grateful to the Secretary of State for giving way again. He will know how important the deal is. It is certainly locally driven, but the framework for it is the spending limits set by the UK Government and the Treasury and the indications that he gives. If he gave an indication via the Treasury of what the spending limit was, the deal could be signed very quickly.

Alun Cairns: The right hon. Gentleman tempts me, but he knows that that is not the way it works. We assess and break down the merits of each individual part of it. We then break down which areas are devolved and which are reserved, and we come up with a package that is jointly supported by the Welsh Government, the UK Government and partners in the community, including those in the private sector and local authorities. I am as anxious as he is to see the deal progress as quickly as possible, on the basis of the success we are seeing elsewhere.

Nick Thomas-Symonds (Torfaen) (Lab): On St David's day in Torfaen, we had a visit from the American ambassador. He visited Pontypool indoor market and Frog Bikes, a new business which, with support from the Welsh Government and Torfaen County Borough Council, is now partnered with USA Cycling. Will the Secretary of State join me in congratulating Frog Bikes on that achievement?

Alun Cairns: I will happily congratulate it. I met the US ambassador to the UK a few days before his visit to Wales. He shared his plans and hopes, and I said that the visits he hoped to make were thoroughly excellent. He is a true friend of Wales, and I am keen to develop a much stronger relationship with him as we attract investment and other opportunities and meet challenges such as the one between the UK and US steel industry, which we spoke about last week.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): The Secretary of State has outlined how important it is for Wales to look outward. The Government committed in 2012 to the western rail link to Heathrow, which would directly connect Wales to Heathrow, going through the west country and, indeed, Slough. Does he agree that it is about time the Government built it?

Alun Cairns: I am grateful to the hon. Gentleman for highlighting that project, because it is important to Wales. I thoroughly support it, and we want to gain investment from a range of sources for it. His point highlights how integrated the rail network is—Wales sometimes benefits from spend in England, and England sometimes benefits from spend in Wales.

Geraint Davies (Swansea West) (Lab/Co-op): Will the Secretary of State give way?

Alun Cairns: I want to make some progress, then I will give way.

I was discussing the opportunities for Wales as we leave the European Union. I hope Members throughout the House will welcome the news earlier today that an agreement in principle has been reached with the European Union on the implementation period. As the Prime Minister has said, that shows that with good will on both sides, it is possible to agree an arrangement that works for all sides.

As we leave the European Union, the Union of the UK is more important than ever before. We are a Union of four nations developed over a long history, communicated through a common culture and a shared identity. As a result of joint working and the collaborative approach taken by the UK Government and the Welsh Government, we have delivered a fiscal framework that secures Welsh funding over the long term and a Wales Act that puts Welsh devolution on a stable footing.

Despite what is often reported in the press, the relationship between the Governments is positive, and I take pride in that, along with the First Minister. While there will undoubtedly be challenges ahead, Wales is well placed to benefit from the many opportunities that leaving the European Union offers, such as the chance to form new partnerships, maintain relationships with old allies and become true beneficiaries of the UK being a global leader in free trade.

Wayne David (Caerphilly) (Lab): The Secretary of State must be concerned by a leaked document from the Government five weeks ago indicating that there would be a 9.5% reduction in Wales's economic growth rate if the Government failed to achieve a deal with our European partners. If the Government are considering the possibility of no deal, he must be extremely concerned about that projection.

Alun Cairns: The hon. Gentleman tempts me, but he knows that the Government do not comment on leaked documents. Statements have been made that those documents were not complete, nor were they approved by Ministers.

I am happy to talk about the strength of the Welsh economy and the opportunities we have to exploit the UK being a global leader in free trade. Wales was the fastest-growing nation in the UK in 2016. We have 98,000 more people in work since 2010, with 44,000 more women in work and unemployment down by 48,000 compared with 2010. That demonstrates the strength of the Welsh economy, in which I have significant confidence.

Geraint Davies: Does the Secretary of State accept that 60% of Welsh exports are to the EU, and there is a real risk that we will face tariffs, regulatory barriers and supply chain constraints, which would undermine

[Geraint Davies]

that growth? Would it not be better for him to commit now to pressing to be part of the single market and the customs union, if in fact we Brexit?

Alun Cairns: As the hon. Gentleman says, about 60% of Welsh exports go to the EU. I am surprised by the simplistic approach that someone of his stature and understanding takes. He of all Members would recognise the complexity of supply chains. The real figure is that 80% of Welsh output goes to the rest of the UK, and there are then onward exports to the European Union and elsewhere. That demonstrates the complexity of supply chains, and he undersells himself by taking that simplistic approach.

Export figures are strong, as the hon. Gentleman is happy to highlight. Last year, we exceeded the £16 billion figure. Export growth to the EU rose by 12%, and the increase in exports to areas outside the EU was 13%. Inward investment remains strong, with investments from companies such as Ipsen Biopharm. It has invested £22 million in Wrexham to expand its facilities, creating 100 jobs. Over recent years, the amount invested locally has been close to £100 million. Spanish manufacturing giant CAF is investing £30 million in Newport producing railway rolling stock, creating 200 new jobs.

Toyota's recent announcement that it will build its new Auris model in Burnaston is great news for the engine plant on Deeside. That demonstrates the complexity of supply chains, which I mentioned to the hon. Gentleman, and highlights the fact that Wales gains much from being part of the common UK market.

Mark Tami (Alyn and Deeside) (Lab): Clearly the Toyota announcement was extremely good news, but it was planned over a number of years. Does the Secretary of State agree that the company, along with others such as Airbus, has major concerns about the post-Brexit situation, particularly if we have tariffs?

Alun Cairns: I am quite surprised that the hon. Gentleman suggests that major investments such as that take place with such simplicity. They might have well have been thought of a number of years ago, but it takes a lot of hard negotiation to strike the final deal and gain a commitment to investment. We all recognise that global companies such as Toyota could take their investment almost anywhere, but it chose to bring it to the United Kingdom. I was in Japan just last August talking to Toyota about that investment, because of the ongoing influence it will have on any investment on Deeside. We have not yet won that for Deeside, but we are in a much stronger position because of Toyota's commitment in Derbyshire.

I have also had the privilege of visiting Qatar and the US in recent months, to meet investors and seek to establish new relationships that will benefit Wales and the rest of the United Kingdom. The Welsh and UK Governments are developing a strong trading relationship with Qatar, and in six weeks the very first Doha to Cardiff flight will operate, making it far easier for investors from the region to trade in and with Wales.

Chris Elmore (Ogmore) (Lab): Does the Secretary of State now accept that the Welsh Government were right to put in the investment to purchase Cardiff airport

several years ago? Without that investment within his own constituency, Cardiff airport could have folded, because he simply was not interested.

Alun Cairns: I do not accept that statement. The ownership of the airport does not matter; it is the operation and management of the airport that is important. The hon. Gentleman will recognise that it is an independent, limited company, and it is important that the airport has the freedom to operate in the way it does. I am privileged to have the airport in my constituency, and I support it. In recent months, I have spoken to every managing director or chief executive involved to encourage and facilitate more flights to and from the airport, which is playing a part in contributing to its success. It has grown by 8%, but other airports across the country have grown by similar amounts because of the success of the UK economy.

Welsh businesses will be at the forefront of the UK's biggest ever trade festival, which kicks off in Hong Kong later this week. I am determined to ensure a close working relationship between the Welsh Government, my office and the Department for International Trade on foreign direct investment and our export ambitions. This is what businesses and communities want. Last week, the Department for International Trade and I held workshops in my office in Cardiff bay to better understand the barriers to exporting and the opportunities in which each Government can play a part in supporting those ambitious companies. I will host a similar event in north Wales next week.

Certainty and continuity for businesses and communities are themes that we are extending to our approach to leaving the European Union. As Members will be aware, we have been working closely with the Welsh Government on the European Union (Withdrawal) Bill. Our initial approach was to retain all EU powers at UK level on a temporary basis to provide the certainty and security that the business community has called for, and we have committed to working with the devolved Administrations on how these powers will work and their onward transfer to the Welsh, Scottish and Northern Ireland Assemblies and Parliaments. However, having listened carefully to the concerns raised by the devolved Administrations, we have tabled an amendment to clause 11. The assumption is that the powers should be devolved, but with an order-making power to enable the UK Government, working with all the devolved Administrations, to legislate and to protect the UK common market. This will apply only in a limited number of areas and on a temporary basis. We have published analysis showing that we expect there to be only 24 areas of policy where we will need to discuss the possibility of legislative frameworks with the Welsh Government.

Susan Elan Jones (Clwyd South) (Lab): Will the Secretary of State give way?

Wayne David: Will the Secretary of State give way?

Alun Cairns: I will give way in a moment, but I want to finish this important point.

This means that we expect to be able to devolve 40 areas with either no frameworks or only informal agreements. The result is that the vast majority of

powers returning from Brussels that intersect with devolved competence will fall under the full control of the devolved Administrations from day one of exit.

Susan Elan Jones: Is not the right hon. Gentleman really saying that he has not listened to the Welsh Government?

Alun Cairns: I would hope that the hon. Lady recognised that we have listened to the Welsh Government and the other devolved Administrations by bringing forward the amendment in the other place. We are still working with the Welsh Government to get to a position of agreement where we can gain a legislative consent motion. That we have a robust relationship is demonstrated by the fact that the First Minister and the Finance Minister, Mark Drakeford, have said that we are very close to a deal, although we are not there yet and further challenges remain.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I understand that one of the 24 areas relates to procurement, but there appears to be no formal way of negotiating on and agreeing how these powers will actually be transferred.

Alun Cairns: The hon. Lady raises an important point. As we talk about the 24 areas, we will of course want to apply the Sewel convention. That is the basis on which devolution has worked since the change to the UK constitution back in 1999. We will always want to get there by agreement, but that is the basis on which the Sewel convention works. Whatever legislation there is in the 24 areas of law that we want to use to protect the UK market, we will always seek agreement with the devolved Administrations under that convention. That demonstrates the level of co-operation between the UK Government and the devolved Administrations, and I have already mentioned my positive relationship with the Welsh Government.

Christina Rees (Neath) (Lab/Co-op): The Secretary of State says that this is a temporary measure. Why is he altering the Government of Wales Act 2006, because that surely makes it permanent?

Alun Cairns: I am not quite sure which specific element the hon. Lady is referring to, but I will happily meet her to discuss the details. We are having an ongoing positive discussion with the Welsh Government, as well as with the Scottish Government, and we are keen to get to a position where we will gain a legislative consent motion.

Christina Rees: I am talking about the UK Government's amendment to clause 11, which specifically says that there will be an obligation on UK Ministers to consult Welsh Government Ministers, not to seek their consent.

Alun Cairns: Clearly, we will consult, but we will also use and honour the Sewel convention, which is the basis on which legislation has been developed and drafted ever since 1999—with the agreement of the devolved Administration.

Wayne David rose—

Alun Cairns: I will give way to the hon. Gentleman, but I then want to make some progress.

Wayne David: The Secretary of State is very kind. This is an important point, and it is important to have clarification. He has mentioned the retention of powers “on a temporary basis”. How long is temporary?

Alun Cairns: The reason for using the word “temporary” is that we want to bring in order-making powers for 24 areas of law to use them to protect the UK market until we have reached a position of agreement with the devolved Administrations on how we will enact legislation to put in place frameworks on those areas of law. In each and every one of the areas, we will, as we progress through the 24 areas, use the Sewel convention. This demonstrates the pragmatic, positive process we are pursuing. I could easily give some simple, practical examples of why this is important, but Wales has certainly more to gain than it has to lose. I have highlighted the fact that 80% of Welsh output goes to the rest of the UK, and that undermines—sorry, underlines; let me clarify that this underlines—the importance of doing the right thing on these 24 areas of law, because one part of the United Kingdom should not be given the power to hold up every other part.

Much attention is understandably given to the EU market, but the UK market is central to the success of the Welsh economy, and we must recognise the importance of the UK market to investment and jobs. As I have mentioned, 80% of Welsh output goes to the rest of the United Kingdom, so protecting the internal UK market will protect jobs and investment in Wales and across the UK. Where these limited common frameworks are needed or indeed essential, we will continue to apply the principles of the Sewel convention, seeking the support of the devolved Administration at every stage. This is an entirely reasonable proposition, and follows the foundations on which devolution has been established since 1999. I hope that the Welsh Government and Labour Members will recognise that we have moved a considerable way on this, and will see the importance of providing as much certainty and continuity as possible for businesses in Wales. We will continue to work closely with the Welsh Government to secure their agreement to promote a positive recommendation on a legislative consent motion in the Assembly.

Advice on the 24 areas, as well as on the others that we do not want to be subject to an order-making power, has come from industry itself. An expert panel was established, and businesses have raised genuine concerns about their UK prospects being undermined. Industry has advised us all the way along, and that is how we have ended up with these 24 areas. Any action to scupper that will be undermining—genuinely undermining—industry and business, as well as investment prospects, in Wales.

Agriculture is a key area of the Welsh economy and central to our way of life across Wales. Last summer, I hosted the Environment Secretary at the Royal Welsh show where, in one of his first official engagements, he met the Farmers Unions of Wales, the National Farmers Union Cymru, the Country Land and Business Association and other key stakeholders, as well as my hon. Friend the Member for Brecon and Radnorshire (Chris Davies), who was working at the show that day. Our engagement with them has continued since then, with all of them having regular access to UK Government Ministers and officials. Most recently, the farming Minister—the Minister

[*Alun Cairns*]

for Agriculture, Fisheries and Food, my hon. Friend the Member for Camborne and Redruth (George Eustice)—met a group of representatives at the Royal Welsh agricultural showground to discuss our exit from the EU, but also to talk about longer-term plans for the UK's environment and agriculture sectors.

At many of those meetings, if not all, geographical indicators have been raised, because we all recognise the importance of labelling, marketing and branding our produce. A moment ago, I talked about clause 11 and frameworks. This is a good example of why a UK approach is needed to protect the interests of producers and consumers. We obviously need common regulations on food labelling across the UK because we rightly want to protect the status of Welsh lamb, Welsh beef, Halen Môn and many other brands, so that they are recognised and protected across the UK and beyond. That does not mean, as has been suggested, a one-size-fits-all approach to branding. We are committed to protecting all 84 of the registered geographical indicators now and after EU exit.

Albert Owen (Ynys Môn) (Lab): The Secretary of State makes an important point about what the UK wants. Has he had discussions with European Ministers or Commissioners about what they will allow in respect of such branding in the future? Many brands, including Halen Môn in my constituency which he mentioned, are very concerned about this issue.

Alun Cairns: The hon. Gentleman raises an important point. Like me, he highlighted Halen Môn, which has gained significantly from its geographical indicator brand. He will recognise that these issues are subject to negotiations. I expect our discussions with the European Union to take place on a positive footing, but of course we cannot pre-empt anything.

Mr David Jones (Clwyd West) (Con): Does my right hon. Friend agree that the European Union has an equal interest in ensuring that its products receive similar protection? For example, the United Kingdom is one of the biggest markets in the world for champagne. I am sure that the new Conwy vineyards in Mochdre would be delighted to label their excellent products as champagne, but I think they would be entirely happy to see their products equally protected.

Alun Cairns: My right hon. Friend is very sharp on these matters and recognises their importance, as I am sure do many of the champagne drinkers on the other side of the Chamber. A vineyard in my constituency was caught out by the geographical indicators when it labelled its sparkling wine "llampagne". Unfortunately, the European Commission threatened to take action and the company rebranded its product. My right hon. Friend underlines my point that we hope that these elements of the negotiation will take place on a positive basis as we leave the European Union and consider the new opportunities that that will provide.

On another topical issue, I want to reassure Members that work continues between my right hon. Friend the Secretary of State for Business, Energy and Industrial Strategy, my office and the Welsh Government on the

Swansea Bay tidal lagoon. As the Business Secretary said last week, the Swansea proposal is more than twice as expensive as Hinkley nuclear power station, so we will continue discussions with the Welsh Government to look at the affordability of the case and do everything possible to make it a reality. However, the challenges are quite obvious.

Jo Stevens (Cardiff Central) (Lab): As much as we are all enjoying the tour around the Secretary of State's Outlook diary and the various visits and meetings he has had, in that time he could have made a decision with his Cabinet colleagues about the Swansea tidal lagoon. It is over a year since the Hendry report; when will we hear a result and a decision?

Alun Cairns: As we have said, we will respond as quickly as we possibly can. However, the hon. Lady will recognise that this is quite a dynamic environment. The price of renewable energy has plummeted over that period and the numbers from the tidal lagoon company have also changed, so perhaps the delay will prove to bring better value for money for the taxpayer. As I have said, the current proposal is twice as expensive as Hinkley nuclear power station, and I am sure the hon. Lady wants to see good value for money for the taxpayer, whatever the outcome.

David T. C. Davies (Monmouth) (Con): Does my right hon. Friend agree that if Opposition Members were serious about getting the project off the ground, they would recommend to the First Minister of Wales that he accept the invitation to appear before the Welsh Affairs Committee and explain the apparent gift of £200 million that he briefed the *Western Mail* on, instead of hiding behind the excuse that he will not come for some reason?

Alun Cairns: I am grateful to my hon. Friend for highlighting the need for hard negotiations and discussions about what the facts are. Many claims have been made, but ultimately it comes down to whether the case provides value for money. As I have said many times, we must ensure that large-scale projects provide value for money for taxpayers and consumers. My hon. Friend will remember the very difficult decision the Welsh Government faced when they decided to cancel the Circuit of Wales in Blaenau Gwent. Despite wanting to do something, they knew ultimately that it was not good value for money, as the numbers proved.

Anna McMorrin (Cardiff North) (Lab): Will the Secretary of State tell us when he has accepted an invitation to an Assembly Committee? On the tidal lagoon, does he agree that this is not just about a one-off project that will create valuable renewable energy; it is about the knock-on effects throughout south Wales, the technology that will be created and all the other tidal lagoons that will be created as a result?

Alun Cairns: I appeared before the Assembly's External Affairs and Additional Legislation Committee just a few months ago. I have been in front of them on a number of occasions.

The hon. Lady will have had a close relationship with the Circuit of Wales and the challenging decision that that involved. The principles behind the Circuit of

Wales decision apply equally to the value for money of any major infrastructure project. As we analyse the numbers, I am sure that she and other Members would not want to see investment that was not good value for money for the taxpayer.

Ben Lake (Ceredigion) (PC): Before we move on from Swansea and the topic of cancelled projects, does the Secretary of State agree that there is a strong argument to reinvest any funding that was allocated to the electrification of the south Wales main line, which has been cancelled, in the Welsh network?

Alun Cairns: The hon. Gentleman raises an interesting point, but he well knows that, as the hon. Member for Slough (Mr Dhesi) indicated earlier, the rail network is far more integrated than that. I would highlight the investment in the Halton curve. Although it is in England, it will benefit north Wales passengers by linking Wrexham to Liverpool directly. We therefore cannot be prescriptive about what will bring benefits. There are exciting opportunities to improve access to west Wales. For example, there are calls from significant quarters for a Swansea parkway station. That holds the prospect of transforming access for west Wales passengers and is something that I am quite excited about.

I would love to talk about the Severn tolls and the growth deals in much more detail, but unfortunately time has got the better of us. I want to use this opportunity to celebrate the great success that Wales has to offer in the UK and beyond. From abolishing the Severn tolls to supporting exporters and investors, we continue to show our commitment to Wales. Growth in Wales is strong, and Cardiff saw the highest increase in growth of all UK capital cities in 2016. It is clear that investors see Wales as a great place to invest. There is clearly a lot to celebrate and I look forward to the stimulating debate ahead of us.

7.18 pm

Christina Rees (Neath) (Lab/Co-op): The Opposition echo the Secretary of State's comments about the sad passing of Lord Crickhowell and Lord Richard.

The St David's day debate is now a firm fixture in the parliamentary calendar, as it provides a great opportunity to discuss the issues, challenges and priorities that matter to Wales. Even though this year we are debating these issues a little later than usual because snow stopped play on 1 March, today it will take more than the beast from the east to put us off our stride.

There is so much to celebrate about our great nation, but there are also many challenges and uncertainty against the backdrop of Brexit and the negative effects of austerity on so many Welsh communities and families. The challenging times make it more important than ever to have a strong shadow Wales team here in Westminster, working with Carwyn Jones and the Welsh Labour Government in Cardiff Bay. It remains a huge privilege to serve as shadow Secretary of State for Wales, supported by the tremendous team of my hon. Friends the Members for Vale of Clwyd (Chris Ruane) and for Gower (Tonia Antoniazzi). We are all kept in line by my hon. Friend the Member for Newport East (Jessica Morden).

Serious matters confront us, and the people of Wales are watching. The people of Wales heard loud and clear the Government's commitment to modernise and electrify

the railways in our country. That included the main line between Cardiff and Swansea as well as the north Wales main line. The people of Wales will hold the Government to account for their failure to deliver.

The Opposition will continue to make the case to give the go-ahead to the Swansea bay tidal lagoon. That vital investment in Wales's infrastructure would represent a step change in technology, provide hundreds of jobs and help equip Wales for 21st-century energy generation, as well as sending a strong signal of confidence throughout the Welsh economy. It is long past the time for the UK Government to work with the Welsh Government and match the latter's commitment to that indispensable project.

The UK Government must recognise the folly of continuing to frustrate efforts to launch a major new domestic market for Welsh steel at a time when Donald Trump is slapping tariffs on exports. The pathfinder tidal lagoon requires around 100,000 tonnes of steel, much of which can be sourced in Wales with a clear commitment from the investors and businesses involved to buy Welsh.

The UK Tory Government continue blindly with their austerity agenda, while families and entire communities struggle to make ends meet. The Chancellor's spring statement signalled simply more of the same. The Government's failed prescription of austerity will deliver nothing except even slower economic growth, wage stagnation and even longer queues at food banks the length and breadth of Wales. It will deliver only further pressure on the NHS and social care, on our schools, our police services and right across the public sector. Those of us who believe in decent public services will continue to fight for the investment that they desperately need to serve us all.

Wales needs investment, as the whole UK needs investment, and the people of Wales will judge this Government harshly if they continue to fail to deliver it. As the date for Brexit looms ever closer, it becomes ever more urgent to take the necessary measures to protect Welsh industry and Welsh business. There is still no clarity for Welsh businesses on customs arrangements and no clear steer for Wales's key exporters in the agriculture, aerospace and automotive sectors that rely so heavily on friction-free trade with our EU partners.

Wales's close and indispensable economic ties to Ireland must be maintained. How will the UK Government deliver that? Thousands of jobs in Wales depend on clarity and on sensible agreements being reached. The clock is ticking. If the UK Government fail to deliver stability for Welsh industry post Brexit, the consequences could be nothing short of calamitous.

Chris Elmore: On stability in industry, the Secretary of State talked a lot about export and import within the UK market and with the EU. A concern is Ford in Bridgend, which neighbours my constituency, where a lot of the workforce live. Does my hon. Friend agree that, if we do not get stability post Brexit and are not inside a customs union at the very least, there would be a real risk of Ford pulling out of Bridgend, with the loss of thousands of jobs in the tributary system?

Christina Rees: I totally agree. As a former councillor on Bridgend County Borough Council, I have close ties with the factory and I fully understand my hon. Friend's point.

[Christina Rees]

Ports make a huge contribution to the Welsh economy, supporting around 11,000 jobs and providing an economic hub and trade gateway with Europe and the rest of the world. Indeed, 80% of goods carried in Irish-registered HGVs between the Republic of Ireland and Europe pass through Welsh ports. In 2016, 524,000 lorries passed through major Welsh ports to and from the Irish Republic. Ireland holds a key position in Welsh inward investment, with more than 50 Irish-owned companies in Wales employing 2,500 people.

Opposition Members will continue to speak up for Wales and for Welsh families, communities and businesses. We will continue to stand up for the devolution settlement itself. Twice the Welsh public have gone to the polls in referendums to shape their devolved Government, and they have set down the parameters on how the Government in Wales relate to the Government of the whole UK. It is not for any UK Government unilaterally to rewrite the rules of devolution—to attempt to power-grab and centralise functions set out in law and agreed through the ballot box—using Brexit as a cover for those actions. Opposition Members will stand up for Wales and for devolution.

The Welsh Labour Government have made it clear that they will not recommend that legislative consent is given to the UK Government's proposals while they impose unacceptable constraints on current devolved powers, which remain unworkable in practice.

The Welsh Labour Government also made it clear that, in the event of the UK Government failing to bring forward satisfactory amendments, they will introduce their own legislation to provide legal continuity in Wales for EU-derived legislation relating to devolved competences.

Susan Elan Jones: I agree wholeheartedly with my hon. Friend, but does she think that it is time we got it into the heads of some Government Members that Wales did not vote just once for devolution, but for full law-making powers in a second referendum? The Government are totally disrespecting democracy in Wales.

Christina Rees: My hon. Friend makes a powerful point, with which I agree. Sometimes, I think the Government just do not get it.

David T. C. Davies: Will the hon. Lady give way?

Christina Rees: Very tentatively.

David T. C. Davies: I am grateful. Let me agree with the point that the hon. Member for Clwyd South (Susan Elan Jones) made and emphasise the importance of politicians of all parties respecting the results of referendums.

Christina Rees: And we do, and I will see the hon. Gentleman in the gym in the morning.

The law derived from the full Welsh Government Bill was introduced in the Welsh Assembly on 7 March 2018, but the Welsh Government are clear this is not their preferred option. What the Bill categorically does not do is to block or frustrate Brexit. The Welsh Labour Government respect and accept the outcome of the EU referendum. However, the vote to leave the EU was

not a vote to reverse devolution. The current devolution settlement in Wales has been backed by two referendums, in 1997 and in 2011. Brexit is not an excuse to ignore those votes.

I repeat that serious matters confront us. I doubt there has been a St David's day since the second world war when there was so much at stake for Wales. The future of whole sectors of industry, as well as the ability of families simply to get by, hangs in the balance. The people of Wales have a right to see a UK Government acting in their best interests: protecting their jobs and investing in the public services they rely on and the infrastructure we desperately need to secure Wales's future.

Wayne David: Does my hon. Friend agree that one of the most unfair things we regularly see in our surgeries is the manifestation of the assessment system for benefits, particularly with regard to employment and support allowance and personal independence payments? That is greatly unfair and is entirely due to what the Government are doing here in London.

Christina Rees: I totally agree. My surgery is full of people who are desperately trying to make ends meet and who have been subject to the terrible PIP measures.

Liz Saville Roberts: If the hon. Lady and her party have the best interests of Wales at heart, surely they should get behind calls for permanent membership of the customs union and the single market, because that is where the economic interests of Wales lie.

Christina Rees: The Labour party advocates a customs union.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Will the hon. Lady give way on that point, because this is a very interesting debate?

Christina Rees: I am being very kind today.

Jonathan Edwards: The hon. Lady is being very kind. As I understand it, the Labour party's policy is that it supports being in a customs union, not the customs union. She will know that as a member of the customs union we benefit from trade deals with over 60 countries across the world, accounting for £150 billion-worth of trade at UK level—there are no figures for Wales, of course. If we are in a customs union, we will lose those trade deals. Surely, it would be far better for the Welsh economy if we stayed in the customs union, rather than trying to create some kind of a customs union, which is more or less a trumped up trade deal?

Christina Rees: Technically, when we leave, we leave the customs union, so we advocate a customs union and a very close relationship to the single market.

Jonathan Edwards: Will the hon. Lady give way again?

Christina Rees: No.

Jonathan Edwards: But that's just spin, isn't it?

Christina Rees: No, it's not.

There are, at present, no signs that the Tory Government understand this agenda, let alone how to respond to it. As I have said, serious matters confront us and the clock is ticking.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Rosie Winterton): As colleagues will see, we have a lot of speakers. If colleagues could stick to about 10 minutes, we will not have to impose a time limit.

7.32 pm

Mr David Jones (Clwyd West) (Con): May I say how pleased I am that the traditional St David's day debate is taking place again this year, albeit on the wrong side of St Patrick's day? Like the hon. Member for Neath (Christina Rees), I was very disappointed when the beast from the east paid its visit. Of course, we had a further visit this weekend from its little cousin, and I was a bit concerned that we would not be able to have the debate again today, but here we are. It is important that hon. Members on both sides of the House have the opportunity to debate Welsh affairs.

I would like to start by saying how much I, in north Wales, appreciate, contrary to what the hon. Lady said, the Government's investment in Wales. I was astounded to hear her complaining about a lack of investment. We have had city deals in both Cardiff and Swansea, which have been welcomed on both sides of the House and by the Welsh Government. As the right hon. Member for Delyn (David Hanson) pointed out, we expect a north Wales growth deal shortly, for which I personally thank George Osborne. Like the right hon. Gentleman, I am impatient to see exactly what the shape of that growth deal will be. Councils across north Wales, the Mersey Dee Alliance and businesses are all working very hard to shape it, and I very much hope that later this year we will see some flesh on the bone.

Jonathan Edwards: I do not think that the right hon. Gentleman can get away with trying to portray the Swansea Bay city deal as some sort of UK Government giveaway to the Welsh economy, because 90% of the money comes from the Welsh public and private sectors.

Mr Jones: Like most city deals and growth deals, this is a question of partnership working. Nevertheless, we are seeing investment in Swansea and in Cardiff, so I felt it was slightly churlish of the hon. Member for Neath to complain.

I shall concentrate on north Wales, as that is the part of Wales of most interest to my constituents. North Wales is an important part of what is, in reality, a cross-border north-west England and north Wales regional economy. I think that hon. Members on both sides of the House realise that and, as a consequence, we have seen the formation of the all-party group on Mersey Dee North Wales, which is very ably chaired by the hon. Member for Wrexham (Ian C. Lucas). In no small part due to the work of the all-party group, policies have developed that I believe will be of immense benefit to not only north Wales itself, but the north-west of England.

I sometimes think that hon. Members from other parts of Wales may not fully realise the extent to which the economies of north Wales and the north-west of

England are closely integrated. We have major employers on both sides of the border. We have heard already about Airbus, JCB and Toyota on the Welsh side, but there are also major employers on the other side of the border, including Vauxhall. Every day people from both sides of the border commute across it to their places of work. A great deal more could be achieved if we sought to achieve a synergy between north-west England and north Wales. I think that, perhaps a little belatedly, the Welsh Government are starting to recognise that, too. Recently I paid a visit to Cardiff with the Public Administration and Constitutional Affairs Committee. We took evidence from the First Minister, Carwyn Jones. Hearteningly, he recognised that there could be a role for further devolved institutions in north Wales, which could work with institutions on the English side of the border to further the economies of both regions.

David Hanson: I agree fully with what the right hon. Gentleman says, but I wonder how he squares that with the fact that I, as a north Wales Member of Parliament, cannot vote on matters that affect England, such as business support, health and education, which my constituents use.

Mr Jones: The right hon. Gentleman has raised this question on numerous occasions, but sadly that is one of the paradoxes of devolution.

Mark Tami: Further to that point, the Countess of Chester hospital was built to serve Chester and Deeside, yet I cannot have any view about it, despite the fact that a large number of people from Wales will attend that hospital.

Mr Jones: That, too, is one of the paradoxes of devolution. Many hon. Members find their constituencies served by hospitals on the Welsh side of the border and, because of devolution, they are unable to make representations on behalf of their constituents.

David T. C. Davies: My right hon. Friend makes the point very well indeed. A lot of people living in the Forest of Dean are served by the Welsh NHS and are taking legal action because they are desperate to be served by Jeremy Hunt's Conservative-run NHS in England. That is absolutely true. They have no say over what Labour Ministers are doing, despite being inflicted with the Welsh Labour-run NHS.

Mr Jones: I do believe that my hon. Friend, in his own manner, is agreeing with what I have just said, but I am straying from the subject I want to discuss—improving the synergy between north Wales and the north-west of England.

One of the most important areas in which that can be achieved is transport, specifically rail transport. It is a sad fact that the rail network in north Wales is, frankly, not up to dealing with the employment conditions that prevail on both sides of the border. We have previously debated the Wrexham to Bidston railway line in the House. That line is incredibly important to the people of north-east Wales, and its importance is growing, as it now links the two enterprise zones at Deeside and Wirral Waters. As north Wales Members will know, the sad fact is that if someone wants to travel from Liverpool to Wrexham, they have to get off the train at Bidston.

[Mr David Jones]

That is an incredible inconvenience—actually, it is more than an inconvenience, as it is holding back the north Wales and north-west economy—so I was very pleased when we recently had the launch in this House of the “West and Wales Strategic Rail Prospectus”, which was attended by the Under-Secretary of State for Wales, my hon. Friend the Member for Pudsey (Stuart Andrew). I was also pleased that it was attended by the Secretary of State for Transport.

It is important that we aim for a much more closely integrated transport system in that part of the world. I believe that the prospectus that was put forward at the meeting earlier this month in the House lays out a very sensible blueprint for travel in north Wales. Furthermore, it provides connectivity to the new HS2 hub that will be constructed at Crewe. My plea to my right hon. Friend the Secretary of State is that he works very hard with the Secretary of State for Transport on pursuing the vision of the prospectus and achieving something that will provide for the sort of rail transport that we require in north Wales.

I wish to touch on two other issues, one of which has been raised by the hon. Member for Neath: the question of the Swansea tidal lagoon. I fully accept my right hon. Friend the Secretary of State's point about the importance of achieving value for money in a project of this scale. I also appreciate that it will be an expensive development, but it is fair to say that the technology that could be developed if the lagoon were constructed would give the United Kingdom, and Wales in particular, a world lead. We need an answer fairly soon on when the Government will respond to the recommendations of the Hendry report. The lagoon not only would provide a hugely important facility in terms of the generation of clean energy in Swansea, but would be a pathfinder for similar developments right around the western coast of Britain, not least in my constituency and that of the hon. Member for Vale of Clwyd (Chris Ruane), where a proposal for a lagoon with five times the generating capacity of Swansea is being considered. It would be possible to work this up into something that would be genuinely valuable for the United Kingdom, and I really hope that the Government will not miss this opportunity.

Liz Saville Roberts: Does the right hon. Gentleman concur not only that Wales needs to be an exporting nation in the future and that energy gives us that potential, but that with tidal lagoons, we are looking at a situation in which our energy security could be that much safer?

Mr Jones: Yes, I would agree. In fact, the proposals from the developers of the Swansea lagoon are for a chain of lagoons from Lancashire right through to Somerset. That would provide virtually 24-hour-a-day generation so, again, it would be an important development for energy security. There would be other benefits too, such as for sea defences on vulnerable coasts such as that of north Wales. I again plead with my right hon. Friend to consider carefully the recommendations of the Hendry commission and to ensure that a response is made reasonably soon.

In connection with that, I also make the case, as I am sure that the hon. Member for Ynys Môn (Albert Owen) will, for the consideration of Wylfa Newydd,

which would be a hugely important element of the north Wales economy. We should also listen to suggestions for the development of small modular reactors in Trawsfynydd which, again, I suggest would represent a hugely beneficial element of the north Wales economy.

I am conscious of your strictures about time, Madam Deputy Speaker. Despite the somewhat downbeat assessment of the Welsh economy that we heard from the hon. Member for Neath, I, as a north Wales Member, am very optimistic about the future. I think that the Government are investing strongly in the north Wales economy and I am very proud to be a Conservative Member of Parliament.

7.45 pm

Patrick Grady (Glasgow North) (SNP): I welcome the opportunity to contribute to the debate from the Scottish National party Front Bench. As well as being a member of the SNP, I am a member of Plaid Cymru, so this is a good opportunity to show solidarity not just with our colleagues from Wales—[Interruption.] Well, I joined Plaid in September 2014, when people in their tens of thousands were joining the SNP and I wanted to show a bit of solidarity. I also joined the Campaign for Real Ale, because I thought that that was the closest I could find to an English equivalent. In fact, I found out today that my former colleague, the former Member for West Aberdeenshire and Kincardine—Stuart Donaldson—has just been appointed as a campaigns manager at the Campaign for Real Ale, so I look forward to meeting him.

I am glad that the Government have made time for this debate in their own time. As the right hon. Member for Clwyd West (Mr Jones) said, it was rescheduled from St David's day. Indeed, we are now on the other side of St Patrick's day. We have also gone past St Piran's day—the patron saint of Cornwall—and today is the feast of St Joseph, who is the patron saint of Canada, so we are not short of Celtic and heavenly inspiration for this debate.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): I am delighted to hear that it is St Joseph's day today, as it is also my occasionally angelic daughter's eighth birthday—so happy birthday, Eilidh, if you happen to be watching. She, along with the rest of our family, will be visiting Cardiff next month for a dancing competition, which I am not participating in, I have to say. I have visited south Wales on a number of occasions for rugby-related business, although thankfully not last month. Does my hon. Friend agree that south Wales is one of the best places to visit in the UK—outwith Scotland, of course?

Patrick Grady: Absolutely, and I think my hon. Friend makes a number of important points that the House will take on board. Tourism is absolutely vital to economies across the United Kingdom and will only become more so in the years to come. I will look briefly in my remarks at the impact of Brexit on the economy, but I know that a large number of Members from Wales want to speak, so I will be as brief as I can.

I want to look at some of the key challenges and opportunities that are facing Wales and its people, particularly in the context of the devolution journey and Brexit. It is more than 20 years since the first devolution referendums, and next year will mark 20 years since the devolved institutions first met. Matters such as health,

education and transport have been and continue to be decided by the people of Scotland and Wales. In recent months and years, Scotland has welcomed the further devolution of powers on matters such as income tax, which is now under the remit of the Scottish Parliament. Wales is also in the process of seeing further devolution on issues such as transport, energy and electoral arrangements.

The devolved powers that we have in Scotland have allowed us to make many decisions that are different from those affecting people elsewhere in the United Kingdom. For example, nobody in Scotland pays the pernicious bedroom tax. The Scottish Government spent more than £125 million between 2013 and 2017 on mitigating that. Unfortunately, I do not think the same can be said yet in Wales. We also see some divergence in areas such as public sector pay. The Scottish Government have lifted the cap on wage rises for public sector workers, meaning, for example, that a nurse earning £30,000 a year will get a 3% rise in the coming financial year. That is in stark contrast, unfortunately, to the Welsh Administration, who insist that Westminster needs to loosen the purse strings before they take action.

Although I might not agree with all the decisions that the Administration in Wales are making right now, it is certainly to be celebrated that those decisions are being made in Wales, and it demonstrates that there is still a strong case for even further devolution to Wales. A good example of that is policing. In Scotland, we have devolved responsibility for policing, and recorded crime is now at its lowest level for over 40 years. That is in no small part thanks to the Scottish Government's commitment to an extra 1,000 police officers, and is set against the stark backdrop of Westminster-led austerity and falling police figures in England. In Wales, there are 750 fewer police officers than there were in 2010—a 10% drop since the Tories came to power at Westminster.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I note the hon. Gentleman's point, although I put the blame firmly on the Tory UK Government for the police cuts. Does he recognise, though, that thanks to the Welsh Labour Government there has been huge investment in police community support officers, which has kept them on our streets and made a big difference in my local communities?

Patrick Grady: It is important that efforts are made by the devolved Assemblies wherever possible. I have seen figures from Dyfed-Powys police showing that were policing to be fully devolved to Wales and funded per head of population, Welsh forces would be £25 million better off. We welcome the UK Government's recent decision finally to allow the Scottish integrated police service to reclaim the VAT it is owed. We are looking for a refund and hope that similar progress can be made in Wales. That demonstrates the strength of devolution. I should also pay tribute to my friends in Plaid for the influence that they are exerting on the Welsh Administration. I hope that one day they will exert even more influence by taking full control.

As with so much, however, all that is overshadowed by Brexit. The Secretary of State has championed the Welsh economy and its great trading relationship with the EU, but the Government's own analysis shows that Wales will be one of the parts of the UK that bear the

brunt of Brexit. If we crash out on World Trade Organisation terms, we are looking at a contraction of almost 10% in the Welsh economy, meaning huge cuts in wages and potentially thousands of jobs lost. Some 200,000 Welsh jobs are based on trade within the single market and the customs union, and Wales is a net beneficiary of EU funding by around £245 million, or £79 per head. All that is at risk from an extreme Tory Brexit, and the only solution that can guarantee frictionless trade is continued membership of "the" single market and "the" customs union.

Of course, we are having this debate on the day when the House of Peers is debating clause 11 of the EU withdrawal Bill—the great power grab of the great repeal Bill. The Scottish and Welsh Governments have a unity of purpose at present and are doing a fantastic job of defending not only Scottish and Welsh interests but the very foundation of the devolution settlement from the crude attack being perpetrated by the Tories here at Westminster. We have seen the Cabinet Office list outlining 24 areas of devolved competence in Wales that it wants to snatch back, which is why Plaid was right to introduce the continuity Bill in the National Assembly for Wales as a way to safeguard the devolution settlement from the Tories' power grab.

The Tory Government here always speak of the will of the people, but as we heard from the Labour Front-Bench spokesperson, the people of Wales have endorsed the devolution settlement not once but twice, in 1997 and again in 2011, so they cannot use the UK Brexit referendum as an opportunity to overrule the decisions people made in Wales to have power devolved to their Assembly. There is still time for the UK Government to reach an agreement with the Welsh and Scottish Governments on the question of clause 11 and the devolution of powers post Brexit—both those Governments have indicated their desire to do so—but we are absolutely clear that UK-wide frameworks to deal with the post-Brexit scenario have to be arrived at on the basis of the consent of the devolved Assemblies, not simply consultation.

As has been noted, this debate was originally scheduled for St David's day. In Scotland, St Andrew's day is recognised as a public holiday, because the Scottish Government had the power to make that change. That is an anomaly in Wales that ought to be put right, both by introducing a public holiday and by giving the Welsh Assembly the power to make that determination.

Mr David Jones: Will the hon. Gentleman accept it from me that very few Welsh people would have appreciated a public holiday on St David's day this year, given the weather?

Patrick Grady: Indeed, although most of them got an involuntary day off in any event as a result of the snow.

I look forward to other contributions to the debate. I know that many other Members want to take this opportunity to celebrate the important contribution that Wales makes to the economy, society and culture of these islands. I am reminded of the motto of my city: let Glasgow flourish. The same ought to apply throughout the rest of this debate and in the approach of this House, the Welsh Assembly, the Government and everyone with the interests of Wales at heart: let Wales flourish.

7.54 pm

David T. C. Davies (Monmouth) (Con): It is a pleasure to follow the hon. Member for Glasgow North (Patrick Grady). I did not agree with much he said, except for his comments about real ale, but I support the fact that all Members of this Parliament can be proud to be part of one great United Kingdom and be welcome to speak, which is why I am proud to be wearing my Union Jack cufflinks today.

I am grateful to all members of the Welsh Affairs Committee, past and present, not least because we all have worked diligently to reach consensus on a range of issues. Over the past few years we have examined many topics, from defence and the care of veterans in Wales to agriculture, transport, which I will return to, and the state of the economy. I have noticed that members of the Committee always get promoted extremely quickly, and it is remarkable how many are now sitting on the various parties' Front Benches, with the exception of myself, of course, but—who knows?—the call may one day come.

Labour Members have raised their concern that they cannot discuss certain issues that affect their constituents because they are now dealt with only by English MPs. I recognise their concern, but of course that has come about because of the devolution settlement that they championed. Nobody can have their cake and eat it in a devolved fashion: they cannot, on the one hand, stop MPs in London having any say over what happens to the health service or education in Wales and, on the other hand, have that influence over what happens in England.

I share the concern, however: many constituents in the Forest of Dean have to have their primary health services delivered by Welsh GPs and are taking court action because they are unhappy with the state of the health service in Wales. They are taking court action because they want to be treated by Jeremy Hunt's national health service. [*Interruption.*] Hon. Members may boo and yah, but it is a fact. They all have smartphones—they can whip them out and have a look themselves if they wish to. The reality is that where people have the choice of being treated by a Conservative-run NHS in England or a Labour-run NHS in Wales, they want to be treated by the NHS in England. It is not in the least bit surprising, because in Wales we wait longer for ambulances and in accident and emergency units; we wait much longer for surgery—26 weeks as opposed to 18 weeks; and we do not have the same access to cancer drugs.

Liz Saville Roberts: The hon. Gentleman makes a disingenuous argument. It is not a matter of being treated in England; the problem in Wales is with being treated by a health service run by the Labour party.

David T. C. Davies: That is actually a very fair point, and it cannot be put down to money either, because more money is spent per head on the population in Wales than in England. Of course, Members of all Opposition parties want to talk about what they call austerity. I call it trying to balance the books. I call it a recognition that, when we have a debt of £1.7 trillion and are adding to that by borrowing £50 billion a year, the Government are quite right to get spending under control. They have done so very successfully and have

reduced the deficit from £100 billion a year in 2010 to just £50 billion a year now. Every time they suggest spending reductions in any area, of course everyone jumps up and complains, and then when it turns out that the national debt has grown a little, hon. Members want to complain about that as well.

Carolyn Harris (Swansea East) (Lab): Will the hon. Gentleman share with the House how many women in his constituency are affected by the 1950s pension debacle and what kind of representations he has made on behalf of those women, who I am sure would be interested to hear him supporting his Government's stance on cuts when they are absolutely destitute?

David T. C. Davies: It is a bit unfair to suggest that anyone is destitute, but the hon. Lady is right: many women have been affected by the changes to pension law. They say they were not contacted by the previous Labour Government, who were in power for 13 years, when many of these changes we introduced. I do not know whether Labour Ministers contacted them—there are different sides to the story—but certainly many people have been affected. But of course we do not have unlimited money. If she wants to offer pensions to everyone—of course, it would have to be for men and women under the changes to EU legislation—she has a responsibility to say how she would fund the money. Would it be through extra taxes, even though they probably would not raise any extra money, or through extra borrowing or cuts to other Departments? We would all be interested to hear how these promises would be funded.

Stephen Doughty: The hon. Gentleman is talking about borrowing. I wonder what he made of Treasury analysis showing that, as a result of the Brexit scenarios that the Government are pursuing, public sector borrowing will go up massively over the next 15 years, completely wiping out any of the claims that were made on the side of that infamous red bus.

David T. C. Davies: I look forward to seeing whether those predictions are any more accurate than the many other predictions that have been proved completely inaccurate since the referendum.

Let me return to matters that we are not allowed to discuss in the Welsh Affairs Committee. I should very much like to have the right to discuss education, for instance.

Albert Owen: The hon. Gentleman is right: his own party's Government have now put aside an extra £39 billion for the Brexit divorce bill. Did he advertise that fact when he was campaigning for us to leave the European Union?

David T. C. Davies: The hon. Gentleman will be aware that we were paying about £18 billion a year to be a member of the European Union. Even if the £39 billion Brexit divorce bill figure is correct—I am prepared to accept that it is—it represents about two years' membership of the European Union. If that is the price that we have to pay for a good deal, and if other Members support it, I am willing to support it as well. I would probably be willing to walk away and, effectively, say "Get stuffed", but I am a man who likes to work with other people,

and if I can encourage other Members to get behind the Government and compromise a little bit, I am all for doing that.

Let me now return to education for a minute. I think it very important for members of the Welsh Affairs Committee, and Welsh MPs in general, to consider the state of education in Wales. We often hear comparisons between the Welsh and the English national health services, but I do not think we hear enough comparisons between the Welsh and the English education systems. I want to know why my children, who attend state schools in Wales, have less chance statistically of getting good GCSE results and A-level results, less chance of getting into the best universities, and less chance of getting first-class degrees, and I want to know whether Labour Members agree with the judgment of the former Labour Education Minister in Wales who announced that it was time for the Labour Government in Wales to apologise to learners and parents for the mess that they had made of education.

Chris Elmore: I think I have raised this issue with the hon. Gentleman before. When his own county's education services were put into special measures while being run by a Conservative administration, he said nothing. I will tell him what is good about the Welsh education system: record investment in school buildings, record GCSE results, record A-level results, and some of the best universities in the United Kingdom, if not the world.

The hon. Gentleman is doing a great disservice to the people of Wales and the people of Monmouth. He needs to get his facts straight rather than making misleading statements on the Floor of the House.

David T. C. Davies: I am certainly not doing—

Chris Elmore: I got carried away, Mr Deputy Speaker. I apologise, and I withdraw those words.

Mr Deputy Speaker (Sir Lindsay Hoyle): Thank you very much.

David T. C. Davies: I welcome the fact that everyone feels passionately about this issue, but I suggest that the hon. Gentleman look at what his own Labour Education Minister is saying about Labour's education record in Wales.

Chris Elmore rose—

David T. C. Davies: I have been given only 10 minutes, and I would like to move on to the subject of Brexit, which, after all, is a matter of some interest to all of us at the moment.

I commend my right hon. Friend the Secretary of State for Exiting the European Union for the enormous amount of extra power that he will give the Welsh Assembly and the Scottish Parliament, although, if I were anything less than a man who likes compromise, I would be slightly worried about it. I was on the losing side of a referendum in 1999. I remember what it was like to wake up the next day and realise that we had lost, and to have a great discussion about what to do next. What we decided to do was respect the fact that the people of Wales had voted for a Welsh Assembly, albeit

by a very narrow majority, and with a much smaller turnout than the one that we saw for the Brexit referendum. We in the Conservative party decided—and I think that my right hon. Friend the Secretary of State for Wales was among the people who were thinking about this—that the thing to do was simply to respect the decision and get on with it.

We did not say, “Well, there was only a small turnout and a tiny majority, so let us have a second referendum.” We did not say, “Let us see if we can find some dubious hedge fund managers and challenge the whole thing in the courts on a technicality.” We did not go off to the House of Lords and say, “Let us see if we can delay the whole thing”, or whip up a load of scare stories about what it was likely to do to the economy—although I must admit that the scare stories that remainers are coming out with are not particularly good. One minute they say that Brexit will crash the economy, and the next minute they are complaining that there will not be enough people to fill the thousands of job vacancies that are currently available as a result of the good handling of the economy by my right hon. Friend the Secretary of State.

We did not do any of that. We recognised the fact that the people of Wales had voted in a certain direction, and we respected that. We respected devolution and we respect it now, and we respect the voice of the Welsh public, who voted overwhelmingly to leave the European Union. I commend my right hon. Friend and the Government for listening to the people of Wales. Ours is the only political party that is willing to deliver the Brexit for which those people voted.

8.5 pm

Jo Stevens (Cardiff Central) (Lab): I am always reminded of the benefits of mindfulness when I listen to the hon. Member for Monmouth (David T. C. Davies), and then follow him.

Wales, as we know, has a very proud history and tradition. When I was thinking about the debate today, however, I decided to focus on the future, and, in particular, on the role of young people in Wales—especially those close to home, in my constituency.

Cardiff is projected to be one of the UK's fastest-growing cities, with a 26% population growth over the next 20 years. I represent a university constituency in our capital city, and I am very proud to do so. There are very few university constituency Members in the House, and I am also proud that the majority of them sit on the Labour Benches. There is an obvious reason for that, which I will come to later.

Cardiff Central contains the campuses of no fewer than three excellent universities: Cardiff University, Cardiff Metropolitan University, and the University of South Wales.

Cardiff University is one of the global top 100 universities, Cardiff Met is continuing to increase its strong international reputation, and the University of South Wales is now the second largest university in Wales in terms of student numbers. Many academics and students from other universities choose to make Cardiff their home, which is partly why Cardiff Central has the second highest proportion of residents aged 16 to 24 in the United Kingdom. Moreover, 40% of our city's population hold tertiary-level qualifications, and

[Jo Stevens]

we have 75,000 students in the city region. That amounts to half the student population in Wales. There are 43,000 students in Cardiff alone, most of whom live in my constituency. More than one in three students studying in Cardiff's higher education institutions are now postgraduates, and a quarter of those studying in the city are international students.

The first university in Cardiff was founded in 1884, with only 13 academic staff and 102 full-time students. What has been developed and built over the past 134 years—not just in terms of expanding campuses, but in terms of knowledge, skills and our economy—is a wonderful achievement.

Stephen Doughty: I thank my hon. Friend and neighbour for giving way. She is making an excellent speech. Many members of university staff and some students live in my constituency—although not as many as live in hers—and I am very proud of the role that universities play in Cardiff. Does she agree that it was important that so many young people and, indeed, lecturers and staff from Cardiff universities turned out to protest against the extreme far-right neo-Nazi actions that we regrettably saw in my constituency at the weekend? That solidarity across Cardiff was a powerful thing to behold, and I am sure my hon. Friend will join me in welcoming it.

Jo Stevens: I thoroughly endorse what my hon. Friend has said. We know that when such incidents happen in Cardiff, which, sadly, they do from time to time, the whole community turns out in support of our fight against them.

When I walk through Cardiff Central, past the neoclassical buildings of Cathays Park or the modern, striking architecture of the University of South Wales, or Cardiff Met, I see those buildings as a striking reminder that our universities represent both our openness to ideas and our promise to future generations. The way in which we value and treat our universities and those who work and study in them says a lot about our progress on those fronts.

Typically, the last month has seen the biggest ever industrial action undertaken by the University and College Union in defence of the university superannuation scheme and against proposals by Universities UK to change it. The changes would mean a reduction of £10,000 a year in the pension of the average university academic. Cardiff University UCU members voted overwhelmingly to take industrial action, easily seeing off the restrictions in the Government's mendacious Trade Union Act 2016. Cardiff UCU, through a very effective campaign and with a perfectly reasonable and justifiable case, has seen its vice-chancellor—who is also the head of Universities Wales—eventually peel away from the hard core of vice-chancellors who were opposing any return to the negotiating table and a fresh, independent look at the pension fund valuation that had been undertaken by Universities UK.

The dispute that has hit Cardiff University is a consequence of the Government's marketisation of higher education. In the Government's rush to ensure that universities are run like private businesses, lifting the cap on tuition fees and treating students as customers, the balance sheet has become king. It is the balance

sheet that will allow vast borrowing to expand campuses and capacity, and, as we have seen in the private sector, employees' pensions are always an easy target for those trying to smarten up their balance sheet. But what is the point of a glossy prospectus and a shiny new building if we cannot attract the best people to teach and do research there? As if Brexit was not enough of an unnecessary threat, we do not need to turn the brightest minds away from a career in our universities in Wales teaching the next generation of engineers, doctors, teachers, business leaders, and, yes, maybe even politicians, by making those careers less attractive through slashing pensions. As Anthony Forster, vice-chancellor of Essex University, has said:

"university employers must step up to the plate and commit to increasing employer contributions to the scheme...Principled compromise is the answer."

Going back to the issue of how we value and treat our universities in Wales and those who work and study in them, Government higher education policy says a lot about their attitude to young people in Wales. In 2010 the Tory-Lib Dem coalition Government made clear what future they had in mind for the next generation when they saddled young people with tuition fees of £9,000 a year, and this was made clearer when the current Government replaced maintenance grants with loans. While preaching the virtue of paying down the national debt, claiming this was for their benefit, the UK Government devised a system whereby the average graduate would be £50,800 in debt and the poorest graduate an average of £57,000 in debt. The bankruptcy of this system can now be seen in the Prime Minister's own pledge to freeze tuition fee rises and hold a review.

We should contrast this with the approach of the Welsh Labour Government, who have looked to keep maintenance grants at every stage of further education, from college to the end of university. They have also kept NHS bursaries in Wales, unlike the Government here. Labour's policy has been to ensure that the playing field is kept as even as possible, as opposed to piling the greatest debt on the poorest students.

While the Welsh Labour Government have not been able to rein in fee rises indefinitely, they have ensured that for almost a decade Welsh students have graduated with significantly less debt than their English counterparts, and they will continue to do so.

Chris Elmore: My hon. Friend is making a passionate and well-informed speech. The Welsh Government have also worked with students, including NUS Wales, to get to where we are now with this new programme for students. That is important and shows a clear contrast between how the British and Welsh Governments work.

Jo Stevens: My hon. Friend is absolutely right, and that permeates much of what the Welsh Labour Government do, such as working through the social partnership with trade unions in Wales on public services and with the NUS in Wales on education.

All of this matters because, although Cardiff has three excellent universities, it also has postcodes and catchment areas that contain some of the highest levels of poverty in Wales. No child, wherever they live in the United Kingdom, should ever have their aspirations of obtaining a university degree curtailed because of the frightening burden of debt. With the Institute for Fiscal

Studies reckoning that three quarters of our graduates will never pay off their student loan, it is clear we need to end this system which is loading our children's future into a Ponzi scheme.

The Government's approach to higher education also says a lot about our openness to new ideas and new people. It is vital that the Government listen to the concerns of universities and students, rather than dismiss them. Universities and their global connections and collaborations are vital to our knowledge economy. A recent report by the London School of Economics found that Cardiff University alone contributes £3 billion to the UK economy per year, and every year international students at Cardiff University generate over £200 million for Cardiff's local economy. Welcoming people from all over the world has long been an integral part of our successful higher education sector, yet our exit from the European Union threatens to compromise that.

For all the Government's words, everyone knows that immigration policy is being dictated by what looks good on the front page of the *Daily Express* or *Daily Mail* rather than the good of the country. The Government say that they remain committed to the UK, and by extension Wales, being as "open as before," yet that contrasts with their own stated aim of reducing net immigration to "tens of thousands," which, unless they are planning on encouraging mass emigration, will necessitate a large drop in the number of international students.

The Government's approach to Brexit and the Brexit negotiations have been at best confused and at worst downright hostile. It is already having a detrimental effect on our higher education sector, with a fall in applications to UCAS from EU students. If the Government are serious about the UK still being open to new people, they need to recognise the overwhelming view of the public and drop international students from their immigration targets. They also need to explain to us and to the Welsh Government how they are going to ensure that academic institutions in Wales and across the UK can still easily attract and recruit EU academics after Brexit.

Literally every week constituents come to my advice surgeries to ask whether they will be able to live, work and travel in and around Europe as they do now. I cannot answer those questions but it seems that I am in good company, because pretty much every time I ask the Secretary of State for Wales or his Minister, they cannot answer either. In the last four months, I have asked the Secretary of State eight times whether he can identify and name any specific advantages or opportunities for Wales of leaving the EU, and he has not yet given me a single specific, tangible example—and I have not heard any in today's debate either. With our exit less than a year away, this is ridiculous.

By contrast, students and academics in Cardiff have been regularly and forcefully telling me how Brexit is harming the horizons of higher education in Wales. Cardiff University is currently part of over 50 Horizon 2020 schemes, and the EU remains a significant investor in Welsh higher education. This funding and the jobs it supports could easily be lost in the car-crash Brexit that some members of the Government are pushing for.

Welsh students are currently able to enjoy the advantages of the Erasmus+ scheme along with students from non-EU countries such as Norway and Iceland. While the Government have in principle committed to paying into

EU programmes, the lack of detail on this front is deeply concerning. We need clarity now that the Government have contingency plans in place for alternative sources of large-scale credit and funding from which our universities have often benefited.

We often speak about duty in this House: we talk about our duty to our constituents and our duty to our country, but surely both those duties are not just in the here and now, but encompass the future, too.

8.16 pm

Glyn Davies (Montgomeryshire) (Con): I want to begin, as others have, by congratulating my good friend the hon. Member for Ynys Môn (Albert Owen) on securing today's important debate. In keeping with this good spirit, I congratulate the Secretary of State on achieving two years in his esteemed and very important position. Like others, I also want to make brief reference to Lord Crickhowell, who died today. I knew him very well; he was a friend of mine. In fact, it was Lord Crickhowell who first appointed me to a public position many years ago, so in a sense he was responsible for starting me down the path that ended up with me speaking in the Chamber today.

It is important that we have a Welsh affairs debate associated with St David's day. It is a special day for the people of Wales, when we celebrate the life of St David, and I want it to be a special day for the people of the United Kingdom as well.

When I was elected to this House, my ambition and intention was to further the interests of Wales—that applies to most of us in the Chamber—and to raise awareness of Welsh issues. We hear a lot about the importance of unity in the United Kingdom, and I agree, but fundamental to that is a recognition of the importance of Wales right across the United Kingdom. I wanted to build on the eight years I spent in the National Assembly, developing the relationship with the bigger country of England. That is in part what I want to speak about today.

I also want to say in this introductory phase of my contribution how thrilled I was when five weeks ago we were able to speak in the House in the Welsh language. Not only was that a huge thing for those of us who have made a big commitment to Welsh—I made the commitment to learn Welsh—but it was a hugely important statement about the importance of Wales and the fact that Wales is different. There is nothing more unique to us than our language and that was a very important day for the nation of Wales.

Today's debate is a general debate, so a huge range of issues could fall within its remit without attracting your opprobrium, Mr Deputy Speaker. I want to speak fairly briefly on three issues that relate specifically to mid-Wales. They are very different, but they have the common theme that they are all cross-border issues. They are hugely important in England as well as Wales, and the theme is that the two sides of the border have to work closely if we are to deliver the services that people deserve. The three issues are: the delivery of secondary health care; cross-border road schemes; and the Pumlumon project. I shall speak briefly on each of them in turn.

There is no secondary health care in Powys, and 80% of the people in my constituency go over the border to Shropshire for their secondary care, so what happens in Shropshire matters to us. There are two issues involved.

[Glyn Davies]

For several years, there has been a reluctance to tackle the difficult decisions involved in delivering the sort of care that we need. We desperately need a decision from the Government about the funding to provide what we call a future-fit service locally. We have been pressing for it for ages, and it is crucial that we get it quite soon. If we do not, we will be able to deliver fewer and fewer services in Shropshire and mid-Wales.

My second point about healthcare is the importance of locking Shropshire and mid-Wales together when it comes to health issues. Most treatments now have a population threshold. There are 450,000 people living in Shropshire, but the threshold for a lot of treatments is now 500,000, including for radiology, as we saw recently. There are not enough people in Shropshire to justify a specialist radiotherapy department there, but mid-Wales is also involved in this. There are more than 500,000 people in mid-Wales, and if we took the two populations together, as we should, we would cross that threshold. This is not just a theoretical issue; it is a hugely practical and fundamental one.

The second issue I want to touch on is road schemes. The economy of mid-Wales in particular—and those of the north and of the south—is very much dependent on the ability to travel east and west. The Severn valley is crucial to where I live. The biggest disadvantage of devolution has been the complications that it has caused to cross-border road schemes. The Pant-Llanymynech scheme is a major scheme. It is well known, and it will provide access from mid-Wales to Manchester and the north. The road that I want to talk about, however, is the one from the Severn valley through to Shropshire and on to the west midlands. It involves about seven miles between Welshpool and the English border, and it is absolutely crucial. This should have been developed years ago, but there are problems. From the Welsh perspective, the cost-benefit analysis is great, and the Welsh Government would be perfectly happy to pay for it, but there has been no cost-benefit analysis on the English side at all. We need a close working relationship between both sides of the border to ensure that we deliver schemes that benefit everyone, and that is the first project that I would like to see the mid-Wales growth deal looking into.

The third issue that I want to touch on is the Pumlumon project. I share the feelings of the hon. Member for Ceredigion (Ben Lake) about this amazing scheme, but it cannot be delivered just in Wales. We are talking about 100,000 acres of land, mostly peat land, between Machynlleth, Eglwys and Aberystwyth. It is a huge area, and over the decades, it has been drained. The water flows on to it whenever there is heavy rain, and it flows into England. There would be huge benefits to re-wetting it under the Pumlumon project. They would be a big benefit for diversity, and a major community benefit because of the funding associated with it—it would keep communities together. The smallholders would be able to remain there. People are very happy about it; they have already shown that they want to do this. The major benefit, however, would be to England—to all those towns and cities down the Severn valley. Millions of pounds are involved, and the Welsh Government cannot be expected to pay that. We need a cross-border arrangement. The UK Government and the Welsh Government need to work together to deliver what I

think would be a wonderful scheme. Whenever I go to a meeting at which the mid-Wales growth deal is being discussed, I shall probably bore for Wales by referring to this on three or four occasions.

I am a great supporter of devolution, and the final point I want to make is that we have to be committed. Like some Members who have spoken, I opposed it, but when I was driving home from the count, I accepted the result straightaway. I have done what I can to make a success of it, and I still do. It is hugely important, but we need a relationship in which the Government in Cardiff and the Government in Westminster work together in the common interests of Wales and England whenever cross-border issues are involved.

8.25 pm

Albert Owen (Ynys Môn) (Lab): It is always a pleasure to follow the hon. Member for Montgomeryshire (Glyn Davies), who talks a lot of sense in a very consensual way. I know that he is a strong supporter of devolution and that he has worked with Members from across the parties here in Westminster and in Wales to make it happen. I want to join him and the Secretary of State in paying tribute to Lord Crickhowell and to Lord Richard, both of whom died recently. I have lobbied both of those guys, and I did not agree with some of the things that they did, but they listened to me. They did not always deliver, but they were true servants of the Welsh people in their respective roles.

I also want to join the Secretary of State in thanking the Backbench Business Committee for allowing us our original debate on Thursday 1 March, which was co-sponsored by the hon. Members for Monmouth (David T. C. Davies) and for Dwyfor Meirionnydd (Liz Saville Roberts). We did not have the debate on that day, however. It was put off because of Storm Emma, which had a devastating effect on Wales. In my own constituency, huge storms ripped apart the harbour in Holyhead and caused untold damage to 80 vessels. The cruel sea really was cruel on that occasion. I am sure that the House will join me in paying tribute to the emergency services for the work that they did during Storm Emma. They dealt with snowdrifts and high winds in my constituency, and the coastguard and lifeboat services were also involved. I declare an interest as vice-president of the Royal National Lifeboat Institution. The emergency services went out and took staff to the hospitals as well as delivering essential medication and care to people in rural constituencies, and that is worth putting on record.

We are celebrating 100 years since the Representation of the People Act 1918, and I want to put on record the work that the suffragettes from Wales did in getting the vote for women. The first woman MP to be elected in Wales, in 1929, was Megan Lloyd George, in my own constituency. That showed the pioneering spirit of the county of Anglesey, which has also been seen in the field of education. Megan Lloyd George was the first Member of the House of Commons to lead a Welsh affairs debate, in the 1940s. She is historically important in that way.

Since we last met for a Welsh affairs debate in the House of Commons, we have had a general election, and there is a Welsh dimension to that, because the Prime Minister went for a walk in the hills of north Wales and thought that it was a very good idea to have a general election. We called it the hard Brexit general

election, because she was seeking a mandate and an increased majority in the House, but the people of Wales and the people of the United Kingdom took away her majority.

Liz Saville Roberts: Does the hon. Gentleman recall the story about sleeping on the slopes of Cadair Idris? It goes that one will awake either inspired or mad.

Albert Owen: I will take the hon. Lady's word for it. However, I will say that the Prime Minister had told the House on several occasions that she was not going to hold a general election, but she did. She said that she wanted to put her trust in the people of the United Kingdom, and they voted overwhelmingly against a hard Brexit.

Before moving on to Brexit, particularly the links with the Republic of Ireland, I am sure that the House will join me in congratulating the island of Ireland on winning the grand slam this weekend, Wales for being the runners-up and a third Celtic nation on coming third. Eddie Jones's smirk was wiped off his face.

Jim Shannon (Strangford) (DUP): The hon. Gentleman prompted me to intervene at this point. I wish everyone a belated happy St Patrick's day for Saturday. We know that when the Blarney stone is turned the right way, we will have the opportunity for good weather, and we had a great victory on Saturday as well. The Irish team do their talking on the pitch, unlike the England rugby coach, who does his talking—

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. Mr Shannon, I am the most lenient at letting you in, but I think the world already knows about the Irish team and how successful they were. We do not need it to be echoed again.

Albert Owen: I am glad to hear the hon. Member for Strangford (Jim Shannon) supporting the united Ireland in its grand slam victory.

I want to talk about our historic links with the Republic of Ireland. Dublin is the nearest capital city to my constituency, and we have had trade for many decades—hundreds of years—between the Republic of Ireland and Wales. Much of that will be put in jeopardy if we do not get the Brexit deal right. We need a special arrangement, and I am appealing to the Secretary of State because he has been to my constituency to see the port of Holyhead and the problems that could occur. It is no good his repeating what the Secretary of State for Exiting the European Union says about a frictionless border, which is meaningless. We need proper policies and partnerships, because Irish firms are already doing direct trade and are proposing further direct trade between the Republic of Ireland and continental Europe, bypassing the ports of Wales, Scotland and Ireland, so we need a special relationship.

We have a common travel area with the Republic of Ireland, and the Prime Minister has told me on several occasions that it would continue, but the reality is that it was set up based on our historical links and formed part of our special relationship when we were both in the European Union—we joined at the very same time. Now that the UK has decided to leave the European Union, that puts strain on the relationship. Unless we

have a customs union of sorts—an arrangement or agreement—it will be impossible not to have tariffs and barriers at Welsh ports. The reality is that jobs will be lost in those ports. Holyhead and Fishguard are also railway towns, and they rely on the trade that comes from Ireland, so if we lose that vital link due to high tariffs, people will go elsewhere and jobs will be lost. It is hugely important that the Secretary of State listens to what the people of Wales, the Welsh Government and what many Welsh Members are saying. It is no good repeating the mantra of frictionless trade; we need practical things. The Irish Government want to see practical arrangements, as do Members of this House.

Turning to the Welsh economy, I agree with the right hon. Member for Clwyd West (Mr Jones) when he talked about the north Wales growth deal. I am as frustrated as he and my right hon. Friend the Member for Delyn (David Hanson) are, because we have been told for a long time that the process will be bottom-up. Now is the time to shape that growth deal and to deliver on those arrangements. I want north-west Wales and the rest of north Wales to benefit. We need to put pressure on the Treasury to come up with a figure that can match the deals that are coming up from the local level to deliver jobs and prosperity in north Wales.

Time is limited, but I want to talk briefly again about the low-carbon economy and how Wales and north Wales can benefit and lead in this area. There are two marine energy projects in my constituency, and I know that the Secretary of State for Wales and the other Secretaries of State are aware of them. They need a kick-start, and the Welsh Government and the European social fund are providing the essential investment. Minesto, a Swedish company, is investing in my constituency, and Morlais, a local social enterprise, is working to develop marine and tidal energy.

New nuclear is on its way, and I congratulate the Secretary of State and his predecessor, the right hon. Member for Clwyd West, on the continuity they have provided in that project, which started in 2007 to 2009, because we could be world leaders in the low-carbon economy.

Like many Members, I again want to raise the issue of the Swansea bay tidal lagoon, because it is not good enough for the Government to keep saying, "We want value for money." Of course we want that, but we also want ambition from this Government. They talk about an industrial strategy for the whole UK, and they now have to put their money where their mouth is. If they want Wales to prosper, they will find that Wales has an on-the-shelf project that can be rolled out across the whole of Wales in tidal lagoon technology. It will benefit the steel industry in Wales, and the supply chain in Wales and across the UK. We can be that first of a kind. Yes, first of a kinds are expensive, but if we had not invested in other first-of-a-kind technologies, we would never have anything in this country. It is time this industrial strategy came to life.

I want to finish by saying a few things more. I wish this debate had been held on 1 March, and I want to carry on campaigning for a public holiday—a bank holiday—on St David's day. This was in our manifesto. If the Prime Minister decides to go for another walk in north Wales, I am sure we will have that opportunity to deliver a public holiday. The people of Wales are unique, but we are proud members of the United Kingdom, an

[Albert Owen]

equal nation—we are a nation and a proud one. When we come to this next year, as the biggest party in Wales, we will get another debate—we hope it will again be in Government time, not in Back-Bench time—because the people and the Members of this House of Commons from Wales deserve it.

Several hon. Members *rose*—

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. People are not going to get equal time now. If we want to be fair to each other, can we do no more than nine minutes, to share out the time as best we can?

8.36 pm

Jessica Morden (Newport East) (Lab): Thank you, Mr Deputy Speaker. I will try very hard to do that.

Mr Deputy Speaker: I have not put a time limit on; I do not want to do that.

Jessica Morden: I wanted to start my contribution by talking about steel, because this Friday, 23 March, President Trump's 25% tariff on steel imported into the US will kick in, unless the Government and the EU can force some movement on the decision announced on 8 March.

I am very proud to represent a constituency with significant steelmaking: at Llanwern, where, among other things, we have Tata's Zodiac plant, which produces high-quality finished steel for automotive customers, including Jaguar Land Rover and BMW; at Cogent Orb, a global supplier of electrical steels; and at Liberty Steel whose footprint is growing and growing in the UK and beyond and whose green steel vision could see major expansion in Newport in the future. The steel industry and steelworkers in my constituency have been through tough times, and the recovery we have seen is still fragile.

This move will have not only a direct impact on our exports, but the indirect impact of others countries' displaced steel trying to find a home. We had a statement on this tariff last week, when the International Trade Secretary laid out both the Government's approaches to the US and the work being done at an EU level as part of a unified response. Will the Secretary of State for Wales ensure that he is playing his part in speaking up for Welsh steel at the Cabinet table and that the Government do all they can to work with the EU on a response to this? May we have a report back from the International Trade Secretary on how he has got on this week in his discussions in the US?

On steel dumping, Opposition Members have not forgotten that it was the Conservative Government in 2016 who sought to block EU plans to impose tougher targets on Chinese steel imports. Clearly, this US decision is not about national security, and we ought to remind the US that when they last tried this in 2002 economists estimated that it cost the US economy 200,000 jobs. Clearly, we all do not want to see these tariffs imposed, but if they are, what practical help will the Government be offering the steel industry? For instance, our energy prices continue to be much higher than those of other countries and Ofgem's targeted charging review could

produce even higher charges, so will the Minister look at that specifically? The Government have been slow to act on some of the issues challenging the steel industry in the past, but we need robust action now.

The second issue I wish to raise is Severnside growth. Newport East is changing. Before the term "Severn bridge tolls" is consigned to history, I should acknowledge that the Government have acted after a strong and sustained local campaign about the impact of the tolls. [Interruption.] I had to get that in. That is good news for commuters in my constituency, local businesses and the economy of south-east Wales.

It was reported last week that Newport and Severnside are experiencing a housing boom, with many people choosing to move across the Severn. However, there are clearly challenges as well, and we will need councils, the Welsh Government and UK Government Ministers to work together to address them. For example, last week an estate agent in Caldicot said that a three-bedroom former council house in Caldicot would have been on the market last year for £150,000, but they are now on sale for around £230,000 or more. We will need more affordable housing and the accompanying infrastructure, and we need all levels of government to work together to address the challenges.

The Secretary of State has previously talked quite rightly about the importance of cross-border transport links. I reiterate to him that one important thing the Government could do for commuters in my constituency is to address the lack of capacity on cross-border Great Western services to Bristol and beyond, which is making it really difficult to access cross-border jobs. That is a daily complaint, so I would be grateful if the Secretary of State took that up.

There are lots of positive developments in our part of Wales, a few local examples of which are the excellent collaborative work of local authorities such as Newport through the city deal and the great western cities initiative and the excellent support from the Welsh Labour Government. We are looking forward to the potential of the metro. We have the semi-conductor cluster facility, the National Cyber Security Academy and the National Software Academy putting south-east Wales at the heart of the UK digital sector.

I attended a recruitment fair for CAF—the Secretary of State mentioned the company earlier—at Coleg Gwent today. CAF is a Spanish train manufacturer that is bringing 200 high-quality jobs to the constituency this year and 100 next year. We are really grateful for that. There are plans for the renovation of the Chartist tower, the city centre regeneration and the new international convention centre at the Celtic Manor, so there is plenty to be positive about, but in uncertain times, particularly in respect of Brexit we have to keep our eye on the ball. The Government have a role to play in that.

My hon. Friend the Member for Ynys Môn (Albert Owen), who is no longer in his place, mentioned Megan Lloyd George. Over the past few weeks, I have been at many events to celebrate International Women's Day, and in this Vote 100 year this debate is an excellent opportunity for me to name just some of the excellent local women in my area who are leading the way in their fields. We have Pam Kelly, the deputy chief constable of Gwent police; Nicole Garnon, the editor of the *South Wales Argus*; Debbie Wilcox, the leader of Newport City Council; Susan Gwyer-Roberts, the excellent

headteacher of Caldicot comprehensive, whom I wish well in her imminent retirement; and Trudi Marsden, the commercial supply chain director from Cogent Orb.

Those are all women of whom the famous Lady Rhondda from Llanwern, who was imprisoned in Usk for blowing up a post box for the suffragette cause, would be rightly proud. Lady Rhondda's story is one of which we in Newport are proud. She fought a valiant campaign for women to take their seats in the House of Lords, was the first women president of the Institute of Directors and even survived the sinking of the Lusitania. Her story is rightly becoming more well-known this year and is the subject of an opera and a brilliant biography by Angela John. I wish to record our gratitude to her and acknowledge the fantastic leadership of the women I have mentioned. We have come a long way since Lady Rhondda's times. There is still much more to do, but I know that the women who are leading the way in our communities today will act as an inspiration for young women in my constituency.

8.44 pm

Ben Lake (Ceredigion) (PC): Diolch yn fawr iawn i chi, Mr Deputy Speaker, for calling me to speak in the debate, and a belated dydd Gŵyl Dewi hapus to you and all Members.

I am grateful for the opportunity to contribute to this wide-ranging debate on Welsh affairs. I also wish to join others in congratulating the hon. Member for Ynys Môn (Albert Owen) on originally securing the debate. I very much welcome the fact that it is now being held in Government time.

It will come as no surprise to right hon. and hon. Members that I intend to concentrate my remarks on Ceredigion, the constituency that I have the honour of representing. In particular, I believe that a significant rethink, if not a recast, of economic strategy is needed if Ceredigion and other areas of Wales are not to be left behind in the years to come. My underlying contention is that it is not being overly ambitious, let alone idealistic, to believe that the prospects for individuals living in rural areas should be just as promising as those for people living elsewhere. The children of Ceredigion deserve the very same opportunities as those of other constituencies; adults, too, should be afforded career prospects and the ability to enjoy a life similar to that enjoyed by those inhabiting other areas of the United Kingdom.

I am in no way espousing the idea that the UK Government grant Ceredigion preferential treatment—although I could certainly be persuaded of the merits of such an approach—but I am arguing for fair play, or, as we say in Wales, chwarae teg. It may be too much to ask for, but I believe that Wales sorely needs an economic strategy that facilitates growth in both rural and urban areas if we are to avoid building a geographically unbalanced Welsh economy. The development of the rural economy should form a key part of an economic strategy for Wales. We need look no further than the state of today's UK economy to appreciate the consequences of an unbalanced approach to economic development. Or better still, we can turn to page 218 of the Government's own industrial strategy White Paper, which illustrates all too clearly how focusing attention and investment in urban areas has meant that the productivity of rural

areas, such as Ceredigion, is consistently below that of the UK average, and in stark and depressing contrast to that of larger towns and cities.

It is for that reason that I cautiously welcome the Government's announcement of a mid-Wales growth deal as at least a tacit acknowledgement that Ceredigion and—I say this as the hon. Members for Brecon and Radnorshire (Chris Davies) and for Montgomeryshire (Glyn Davies) are in their places—Powys have been overlooked for far too long. I know that time constraints meant that the Secretary of State was unable to speak on that issue in greater depth, but perhaps when the Under-Secretary sums up we may learn a little bit more about the potential of the mid-Wales growth deal.

A growth deal for mid-Wales, if adequately resourced and successful in bringing businesses and communities together, could be a real opportunity to address the consequences of the area's chronic underinvestment and neglect by successive Governments. It is also a chance to diversify the base of the rural economy in that part of Wales to ensure that, just like the economic success stories of the cities, the economy of rural Wales is rooted in a rich mixture of sectors and industries. That would mean that, in the future, the children and young people of Ceredigion have ample opportunity to pursue a prosperous living in the county and are not forced to move elsewhere for work.

Members will have heard me speak about the difficulties that many of my constituents face in accessing fast and reliable broadband. That is not only a significant barrier to Ceredigion's economic growth but a source of great frustration for households across the county. Broadband, and good digital connectivity in general, is no longer a luxury; in the 21st century it is increasingly becoming an essential amenity. As such, I very much hope that the mid-Wales growth deal will address poor connectivity. The hon. Member for Montgomeryshire rightly pointed to the investment in roads, but I also hope that some investment will be put into digital connectivity, because broadband, or rather the lack of it, is by far the most prevalent issue raised by constituents in Ceredigion, which, unfortunately, is among the 10 worst constituencies for broadband speeds.

Rural Wales should not be written off as an area without potential. Why should it be the case that opportunities afforded to start-ups and small businesses, including shared office spaces, are poorer in rural areas, or that essential utilities such as adequate broadband and mobile infrastructure are sometimes dismissed as luxuries in places such as Ceredigion?

I am conscious of the time, so I will try to draw my remarks to a close. Increasing investment in mid-Wales is of the utmost importance not solely because Ceredigion, and more generally west Wales and the valleys, are among the most deprived areas of western Europe, but because of the impact that greater job opportunities will have on reducing poverty levels. Indeed, west Wales and the valleys, as many Members here this evening will know all too well, have received significant new structural funding. The United Kingdom Government have previously mentioned that a UK prosperity fund will be established to replace the structural funding post Brexit. I think that Members from both sides of the House would agree that the funds allocated from it should at least equal the European funding, and be allocated on the basis of need, not population.

[Ben Lake]

If the case for further investment in Ceredigion needs justification, I turn the House's attention to the levels of poverty, particularly child poverty, in my constituency. After housing costs, nearly 29% of children in Ceredigion live in poverty. Research by the Joseph Rowntree Foundation has shown that to truly tackle this shameful affliction, we need to improve the quality of existing housing stock, increase the supply of affordable housing and ensure a fairer social security system. I will not have time this evening to go into each of those points, but the foundation also says that half the battle could be won by increasing wages and improving job opportunities.

Geraint Davies: I have spent nearly every year of my life going to Aberystwyth on holiday. Does the hon. Gentleman agree that we should invest in the beautiful coastline, amazing rural environment and great history of Ceredigion, particularly Aberystwyth? There are people who have now have more money, are a bit older, do not want to get skin cancer, and are thinking about the Paris accord and the environment, and Ceredigion is a great place for them to go, particularly Aberystwyth, which is where my father was from. Does the hon. Gentleman agree that we should be investing in the area and promoting Aberystwyth as an opportunity for a great holiday?

Ben Lake: I certainly agree with the hon. Gentleman. In fact, I would go even further by saying that people should also pay a visit to the coastal towns of Aberaeron, New Quay, Aberporth and Cardigan.

Geraint Davies: And Borth.

Ben Lake: And Borth in the north. Everyone is welcome to visit us in Ceredigion. I am sure that hon. Members will all agree that it is the best and prettiest constituency in the whole of Wales.

In so far as greater investment will help to tackle poverty levels, I have no doubt that both the Welsh and UK Governments desperately need to reconsider their approach to economic development, and to refocus attention on rural areas such as Ceredigion to ensure that Ceredigion and other rural areas form an integral part of any economic strategy. They must be far more than an afterthought, an also-ran or a non-essential addition to the real effort of developing our cities and urban areas, as is all too often the case. People should have a realistic hope of being able to pursue a career, afford to settle down and lead a prosperous life in any part of Wales. I, for one, am sure that the people of Ceredigion deserve no less.

8.52 pm

Nick Thomas-Symonds (Torfaen) (Lab): It is a pleasure to follow the hon. Member for Ceredigion (Ben Lake). I entirely echo what he said about the importance of good broadband connections in a modern economy. I also join in the appropriate tributes that many right hon. and hon. Members have paid to Lord Crickhowell and Lord Richard. As this debate follows International Women's Day, I pay tribute to the mayor of my home town of Blaenavon, Councillor Phyllis Roberts, who I understand is the oldest mayor in the United Kingdom at the age of 93 and who has given a lifetime to public service.

I will concentrate my remarks on universal credit. If there is one issue that has generated more casework than any other since I was first elected to this House in May 2015, it is dealings with the Department for Work and Pensions. I have spoken in the House on a number of occasions about personal independence payment and the problem of people being driven all the way to a tribunal in order to achieve the award that they should have been given in the first place. That remains a significant problem, but this evening I will specifically address the roll-out of universal credit. I am grateful to the Torfaen citizens advice bureau for providing me with a number of case studies that I can now put before the House. I really hope that they will have a sobering effect on the Government so that they do more than is being done at the moment.

First is the example of a couple suffering financial hardship and developing arrears, which led to problems paying rent to the extent that they were served a notice seeking possession of their property. That happened because there were unnecessary, mistaken deductions from their universal credit award, which is clearly not acceptable.

Let me give another example. The person's initial payment was delayed by two weeks, causing rent arrears to increase and leaving no money for gas or electricity. By the time it arrived, most of it was owed to the landlord in arrears. What happened then? He discovered that his allowance for two children had been omitted from the claim. By the time that was rectified six weeks later, the family had been left, in the interim, living on food parcels. That is not, I am afraid, an uncommon experience, as I can see from my constituency surgeries.

I will give the example that perhaps shows most of all the real problems that people have been caused by social security policy over the past eight years. The person in question is a 27-year-old man who is in the process of moving into a property with his partner. They are currently in receipt of employment and support allowance. Their income from employment and support allowance works out at £986.70 per calendar month. Their total universal credit is £817.65, so they are going to be £169.05 per month worse off. That is not the end of it, though. They are going to be subject to an under-occupancy charge because they are living in a two-bedroom property, so they will be hit by the bedroom tax as well. They exemplify many people in my constituency who are being made significantly worse off because of the failure to pause and fix the universal credit roll-out.

Let me be clear: this is not the fault of staff, who work extremely hard. I visited Jobcentre Plus in Pontypool only recently and saw the excellent work that staff there were doing to try to make the roll-out of universal credit work. I have also visited Cwmbran pension centre in my constituency, where the staff are being severely let down by this Tory Government. Hanging over them is the threat of Cwmbran pension centre being closed and the staff moved to a hub north of Cardiff, taking away local people's jobs and taking support away from the local economy.

There is incredible generosity among the people of Torfaen in the donations that I have seen them make to local food banks. Local food bank use is increasing as a consequence of the universal credit roll-out. I have stood and watched people making donations. I have also had requests from local food banks to give—believe it

or not—toiletries because of the poverty that has been created by universal credit and the amount of time that people are having to wait for payments. Torfaen County Borough Council does its very best within the financial constraints it has, not least in its approach to discretionary housing payments, to try to make the situation better. I am also incredibly lucky to have a fantastic voluntary sector locally, with many organisations being there to help the people who are affected.

But while all that local work is excellent, and I am very proud of what people in my constituency do, the reality is that the blame for this situation lies squarely with the UK Government. They really do have to do more. We have had a vote in this House asking the Government to pause and fix the universal credit roll-out, but they are not doing enough. It is no longer enough to say, either, that under the Tories a job is a route out of poverty, because two thirds of children living in poverty in this country are actually in working households. The jobs that the Tories talk about, I am afraid, are insecure and are not paid as they should be. This is a Government who are driving up poverty. I say to Ministers, having highlighted the examples that I have, that now is the time to act: callous indifference simply cannot continue.

8.59 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Diolch yn fawr iawn, Mr Dirprwy Lefarydd. I am grateful to the hon. Member for Ynys Môn (Albert Owen) for securing the debate, which I was proud to sponsor, and it is a pleasure to follow the hon. Member for Torfaen (Nick Thomas-Symonds).

This is my first Welsh affairs debate, and I hope to uphold tradition. I am only 19 days late in taking a lead from Dewi Sant himself, and I would like to take the opportunity today—I am sure I will get away with it, as we did in the Welsh Grand Committee—to entreat all present: “Frodyr a chwiorydd, byddwch lawen a chedwch eich ffydd a’ch cred, a gwnewch y pethau bychain a welsoch ac a glywsoch gennyf i.” [*Translation: Brothers and sisters, be joyful and keep your faith and belief, and do the little things you saw and heard from me.*]—It looks like I got away with it!

Dewi preached that we should remember the little things, and this evening I would like to take the opportunity to celebrate the good done on a small scale by voluntary organisations. As many Members have mentioned fluently, we are in a time of uncertainty and change. We are also still in a time of austerity and cuts to local authority budgets. I have seen in Gwynedd how important community initiatives are to maintain services and many activities in local communities.

Those in the voluntary and charitable sector in Wales fall into two categories: the voluntary and the voluntary-voluntary. The first kind are the bigish voluntary organisations, which are often the Welsh representative of a larger body. They might employ staff, run national campaigns and contract-in to provide services on behalf of public bodies. They might well have the trappings of a business and, as such, be registered as a charity. On the whole, they can look after themselves, and their misfortunes are those that can befall any large organisation but are not intrinsic to their structure. Those charities do excellent work on the national stage and also locally.

I must not fail to give a call-out to the Royal National Lifeboat Institution and the lifeboat crews of Porthdinllaen, Abersoch, Pwllheli, Criccieth, Barmouth and Aberdyfi

and all their supporters. They provide an essential emergency service to leisure and commercial seafarers alike. Another essential emergency service is provided by the mountain search and rescue teams of Aberglaslyn, south Snowdonia and Aberdyfi. Those dedicated men and women often find themselves working alongside the salaried emergency services in horrendous conditions.

I would also like to make a special mention of an international charitable organisation, Rotary. Across the world, its supporters have played a magnificent role in bringing down polio as a major cause of human suffering, to the point where it is possible to track individual cases with a weekly update. Locally, dedicated volunteers like Mr and Mrs Horwood ensure that not only does the Rotary Santa float makes a festive noise around Llŷn villages before Christmas but the moneys collected are distributed among a host of local charities, including cylchoedd meithrin, youth football teams, playgrounds and school parents’ associations.

I would like to turn now to the second sort of voluntary organisation—the very local set-up, generally based in one village or community and dedicated to one particular aspect or cause, from providing lifts to a local hospital to running an eisteddfod. They include O Ddrws i Ddrws, with its on-call bus services and round-Llŷn summer bus route, to Eisteddfod Ceidio and scores of other tiny eisteddfodau in village halls, chapels and vestries across Wales.

Those small organisations are the bread and butter of the voluntary sector—the essential glue of communities. They encapsulate the spirit of Dewi Sant’s endorsement of the importance of the little things—y pethau bychain—and yet they sometimes struggle to survive from year to year. One reason is that they often have no status and no legal personality, with charitable status being in their eyes inappropriate and too big and bureaucratically burdensome a step to take. If and when the committee secretary retires, the charismatic founder moves on or dies, the committee falters because of age or ill health or there is a combination of all those factors, the organisation falters and may cease to exist. We are all too familiar with that scenario. The handover from one generation to another is fraught with obstacles and risk.

I propose that we need an intermediate status for these organisations in Wales, which is more than a collection of interested individuals who may come and go, and less than a registered charity. Such a status exists in other countries, allowing “associations”, as they are called, to register locally with municipalities and with the minimum of red tape. They then have the status needed to apply for grants and reclaim VAT, and when members cease to be involved, the association itself is more likely to continue, as it has a certain amount of formal supportive structure to carry it through times of change such as we are in now. We have an opportunity to enable a slightly more structured approach to community activity that is suitable for the voluntary-voluntaries, with the prospect of greater continuity allowing communities to identify and redefine themselves over time—the people who do the charity bike rides, the mountain races, the lifts to hospital or the eisteddfod.

To close, as I illustrated earlier, many local initiatives could benefit from such a provision in my constituency and, I would venture, in constituencies across Wales. It is a model for ensuring a modicum of public accountability, without too much of an administrative burden, that is particularly suited to the way Welsh local life is constituted.

[Liz Saville Roberts]

We are, after all, as a community of communities. The way we organise our civic society should reflect this, and I recommend the association model to the House for further consideration. It encapsulates what St David—Dewi Sant—said: “Gwnewch y pethau bychain”.

9.5 pm

Anna McMorris (Cardiff North) (Lab): It is over two decades since the UK passed the Government of Wales Act that officially created the National Assembly of Wales in Cardiff. It is this institution that we have been calling on this Government to protect in the past few months as they resist calls to respect the devolution settlement, and time is running out.

The Welsh Assembly is due to meet tomorrow to rush through its emergency Bill to try to bypass UK Government plans to undermine devolution and return powers to Westminster, not Cardiff, after Brexit. Months of talks have failed, and Assembly Members are quite rightly attempting to block this power grab by refusing to give consent and passing their own legislation. Agreement must be enshrined in legislation and consent must be enshrined in legislation. Whether this is through a council of Ministers or any other mechanism, there must be movement on this; otherwise, the UK Government risk plunging this country into a constitutional crisis of their own making.

Today, however, I want to focus on a problem that, despite being widespread in British society, is rarely raised on the Floor of this House. I want to speak about the subtle, almost socially acceptable, anti-Welsh sentiment, which I think Brexit has helped to highlight. The England rugby union coach, Eddie Jones, has apologised for publicly calling Wales a “little shit place”, but as Rhiannon Lucy Cosslett of *The Guardian* pointed out last week, it is no surprise that he felt such feelings would be socially acceptable.

It is almost fashionable for the liberal elites in London to make casual racist remarks about Welsh culture, Welsh accents and Welsh language. This seems to be one of the last acceptable forms of xenophobia and bigotry, and it is a remnant of English colonialism. Roger Lewis of the *Daily Mail* once said of Wales and the Welsh:

“I abhor the appalling and moribund monkey language myself”.

If hon. Members remember, a few years ago Anne Robinson described all the Welsh as “irritating” on a commonly viewed programme on BBC2, asking:

“What are they for?... They are always so pleased with themselves.”

I think those making xenophobic anti-Welsh comments are so pleased with themselves that they are unaware that their own comments amount to bigotry, and this has only got worse since the referendum.

Examples of vile anti-Welsh abuse on mainstream media are numerous, but I do not want to burden the House with any more crude language. Instead, I want to point out that there is a link between the free expression of such bigotry and the sense of false English superiority leading this Government to pursue their hard Tory Brexit. Just as this Government have completely and utterly abandoned all efforts to rebalance the economy of the regions and nations of this country, they are also taking decisions that will have a disproportionately negative effect on Wales.

However, I will not merely attack the UK Government and complain about anti-Welsh bigotry; I want to offer solutions. To change a culture, we need to make sure that our media are representative. Currently, the broadcast media are London-centric. The vast majority of the most influential journalists and broadcasters are English and broadcast from England. However, Channel 4 recently announced its commitment to investing in the nations and regions of the UK. I welcome that commitment and hope that it is followed by action that supports the establishment of a Channel 4 hub in Cardiff—one that truly reflects Wales and its communities.

Cardiff is home to an established creative industry that employs 15,000 people and is worth about £1.6 billion in gross value added. We have a pool of excellent candidates, with three brilliant universities teaching more than 7,000 students and producing high-calibre graduates in the creative industries, including film, radio, TV, animation and post-production. Up to 40% of our population is educated to at least degree level. Cardiff is the highest ranked city in the UK outside London for its ability to attract and retain this talent. With a population that is set to grow by 26% over the next 15 years and a city region that already numbers 1.5 million people, Cardiff’s growth is one of its greatest assets.

The logistics of the move will be easily facilitated by many things. When electrification is completed from London to Cardiff, hopefully by the end of 2018, it will take 90 minutes to make the trip from the Welsh capital to London. By 2022 to 2024, Cardiff’s metro will also be completed, making transportation in the city even easier. Our broadband is superb, with competitive rates for superfast broadband. Cardiff has what it takes to deliver an investment project and the track record to prove it. Cardiff’s strengths as a centre for broadcasting and as a cultural centre are unrivalled outside London.

Such a move would be culturally significant. It would ensure that more Welsh speakers and employees from a Welsh background were employed in a highly competitive, influential sector that at the moment is notoriously Anglo-centric. It would ensure that the views of different nations of the UK were represented in a fair and balanced way, and ensure that bigotry, whether anti-Welsh or otherwise, was identified and challenged. I urge the rest of the House to be vigilant to bigotry in all its forms, especially when mainstream media depict it as socially acceptable.

Last summer, Flybe, a leading low-fares airline, cancelled its route between Cardiff airport and London City airport, citing air passenger duty as the reason. Despite the Secretary of State for Wales being a self-proclaimed local champion, he has voted repeatedly to raise APD and is still opposed to devolving it to Wales. In complete contrast, the Conservative leader in Wales supports its devolution.

If the Government want to show Welsh people that investing in Wales is not a second thought but a priority, I urge them to support Cardiff’s bid for the Channel 4 relocation and the devolution of powers over air passenger duty to allow Wales to reach its full potential. As I told the Secretary of State for Wales during a Welsh Affairs Committee sitting before Christmas, his commitment to Wales is in doubt because he has consistently shied away from investing in Wales, from the tidal lagoon to renewables, to devolving air passenger duty, and rail electrification. As a Swansea Valley boy, he must be embarrassed to go home.

As Rhodri Morgan, Labour's father of Welsh devolution, said:

"The Tories' relationship is based on trust and understanding. We don't trust them and they don't understand us."

I do not trust this Tory Government, or that the Secretary of State will take up the suggestions that have been made today, but I hope that the debate will help them understand why the Welsh people and our communities reject their party with their feet.

9.15 pm

Stephen Kinnock (Aberavon) (Lab): I thank my hon. Friend the Member for Ynys Môn (Albert Owen), who is not in his place, for securing today's debate. It is always a pleasure to follow my hon. Friend the Member for Cardiff North (Anna McMorrin).

I rise today to speak about a gross injustice visited upon the people of Wales not far from this House. On 10 February 2018, the Welsh people were quite simply robbed blind. With this being the delayed St David's day debate, I would expect many rugby fans to be here, but for those who do not know what I am talking about, I am referring to the recent outcry in the Wales v. England six nations rugby match, when the referee fatally denied a legitimate Welsh try, which proved decisive. We saw Wales denied what we were due, and we were ignored by those in power. I am afraid that that is a running theme in political and public life. The rugby pitch is not the only place where England and Wales are not on a level playing field; not the only place where better judgment and match reviews are needed. In spite of all that, we persist.

Just as I have faith in the talent and promise of Welsh rugby, so I have faith in the talent, promise and future of Wales. Our best days are still ahead of us. Whitehall may not play fair, Westminster may ignore us and Downing Street may break its promises, but Wales will persist, and we shall we succeed.

The Conservative record in Wales is one of false and broken promises; it is the record of a Government who do not listen and do not care. What happened to rail electrification? What happened to the tidal lagoon? What happened to supporting our steel industry and to investing in our young people?

Geraint Davies: To add to the comments about what happened to the £700 million for rail electrification, as my hon. Friend knows, Network Rail also took out an extra £1 billion. We want extra investment in electrification, straightening lines, the Swansea metro, yet, proportionally, there is far less investment in Wales—something like 1% versus 5% of the population and 6% of the network. Does my hon. Friend agree that we are massively underfunded and desperately in need?

Stephen Kinnock: I agree absolutely that if the Government are serious about rebalancing the British economy, which is grossly skewed towards London and the south-east, that has to start with infrastructure investment. The difference between the per capita sums that are spent in London and the south-east and those that are spent in the rest of the country is a chasm that has to be filled.

When the Prime Minister famously declared in Wrexham that "nothing had changed", she did so in front of a sign claiming that she had a plan for a "strong and

prosperous future". But building that future requires investment, not platitudes; action, not warm words. More than a year ago, the Hendry review—a Government-commissioned review, carried out by a former Conservative Minister, no less, reported back, calling for the Swansea bay tidal lagoon to get the go-ahead. It is a groundbreaking project that would power 150,000 Welsh homes for 120 years, creating thousands of jobs and using Port Talbot steel. Yet nothing has happened. Fourteen months on, and the Government have not even bothered to respond to the review. It is just like the sector deal for steel. For six months, a comprehensive plan for how we can turn our steel industry from one that is surviving into a sector that is thriving; a plan that would allow our communities to fulfil their potential, has sat on a shelf, gathering dust. The plan would mean an additional £1.5 billion of investment over the next five years, increasing production by 40%, creating 2,000 more jobs, training 200 more apprentices a year and increasing investment in R&D. It has the support of all the steel companies and unions, but to unlock that investment, the Government need to act to cut energy prices, which are, on average, 50% higher than those of our competitors.

The steelworkers of Port Talbot, Llanwern, Trostre and right across Wales have shown the lengths they will go to to save our steel industry, but when they agreed to changes in their pensions to save the industry the Government did nothing. They ignored our calls for changes to deemed consent that would have helped many to maximise their savings, and they did nothing when dodgy pension advisers—vultures—swept in to rip off our steelworkers.

Since the 2015 election, Labour MPs have called on Ministers over 700 times to stand up and support our steel industry. While the Business Secretary was on a jolly in Australia, I was in Mumbai with Community union fighting for the future of our steelworks and our industry. How much longer is this meant to continue? On the tidal lagoon and steel, we seem to have a Government incapable of making any decision, a Government frozen by their own ineptitude and shortcomings. While the Westminster Tories have stood by and done nothing, Welsh Labour has gone to the very limits of what it can do, announcing tens of millions of pounds of support for the Welsh steel industry and a plan for millions to support the lagoon. While the Tories stand by, Welsh Labour stands up.

Without more powers, however, there is only so much we can do. That is why powers must be given to Cardiff Bay, not hoarded by Westminster after Brexit. We have seen that we cannot trust the Tories with those powers. They promised electrification through to Swansea. It was in their manifesto. The then Welsh Secretary not only assured me, but promised when I challenged him at Question Time back in 2015 that we would have electrification. However, the day before learning of millions in new investment in London with Crossrail 2, we were told the electrification would be cancelled and that instead we would get hybrid diesel trains. As the Secretary of State experienced—it is a pity he is not in his place so I could remind him—those trains are not so reliable. After his finely balanced photo op with the Transport Secretary, the train broke down and started leaking on its inaugural journey.

The people of Wales deserve better than that. And we deserve better than a Government forcing a prison on Port Talbot, against the wishes of the community, in a

[Stephen Kinnock]

totally inappropriate site. I agree that we should be investing in better and newer prisons, but they must be in appropriate sites, not right next to schools and retirement homes on marsh land with poor communications. It must be done with the consent of the local community. We need a Government who listen and a Government who will not try to build our future on the cheap. Since 2008, some £78 million has been cut from Neath Port Talbot's annual budget and it is expected to find an additional £60 million over the next five years. If it manages to achieve that, it will be the equivalent of it scrapping the entire social services budget. It is a textbook example of the Tory strategy of the devolution of blame: Westminster cuts budgets and forces local councils to cut services or to break the law.

As the central Government budget cuts have grown deeper, it has been impossible to sustain many services, but in Aberavon we are a community and we stand together. Residents, service users and the council workforce have all played their part in meeting those savings. Council staff took a voluntary pay cut and the community banded together to take on responsibilities, volunteering their time and experience to keep facilities open, such as the libraries in Taibach, Briton Ferry and Cymmer. Volunteers have worked hard to keep open the Noddfa community centre in Glyncoirwg, the Gwynfi miners hall and the Afan Valley swimming pool and to take control of bowling greens and sports pitches. When the Government have stood by, our community has stood up, but they should not have to. Community action should be in addition to the state, not in place of it.

There are times when I worry for the future of our country. We have a Government short-changing the present: a Government who claim to know the cost of everything, but know the value of nothing, and a Government who seem incapable of taming the Brextremists, whose reckless, hard Brexit would devastate steel communities like those in my constituency. But then I remember the steelworkers willing to make personal sacrifices to save their industry, community and way of life, to save our steel. I remember people standing by the tidal lagoon, despite Government delay and incompetence. I remember the residents standing up for their services.

Above all, I think of the young people in my constituency, in particular the incredible young women of LEAD—the leadership, enterprise, activism and development programme—delivered by RECLAIM. Through LEAD, those 12 and 13-year-old girls from Aberavon are engaging with the issues that face our community and are gaining the confidence and skills, so that they too can be change makers, leading change and making a difference in Aberavon. The girls of PT Perfect have put together their manifesto of the issues that are important to them, such as homelessness, supporting local businesses and giving girls the opportunity to be seen and to be heard. They have campaigned tirelessly on those issues and have engaged actively with a range of community figures about them. Last month, they were in Parliament to mark the centenary of women receiving the vote. This month, they have been selected to appear on stage at the WOW—the Women of the World—festival at the South Bank.

It is for these girls and for the cohort of boys that will start the LEAD programme in a few weeks' time and for the thousands of youngsters across Aberavon that

we need the Westminster Government to change their attitude towards Wales. Labour understands the potential that we have in Wales and is willing to do what is required to allow us to fulfil that potential. The people of Wales deserve better. The people of Port Talbot deserve better and all in our country deserve better, because we have much to give and much to achieve, but to do that we need support from a Government that believe in Wales and will invest in our people.

Mr Deputy Speaker (Sir Lindsay Hoyle): I call Geraint Davies—you have two minutes.

9.25 pm

Geraint Davies (Swansea West) (Lab/Co-op): It is a great pleasure to follow my hon. Friend the Member for Aberavon (Stephen Kinnock). I simply want to say a few things. Swansea city region has the biggest urban footprint in Wales. We are also one of the poorest areas of Wales and desperately need our fair share of investment, particularly as we approach Brexit and see convergence funding and the like withdrawn. In particular, it is worth remembering that for £1 billion, which would simply build two and a half miles of HS2, we could provide electrification, halve the journey time between Swansea and Cardiff and provide an electrified Swansea metro. I hope that Ministers will look carefully at that.

We desperately want the lagoon to kick off a global export business that will provide new technology at a time when we are supposed to be looking with seriousness at Paris. We want our fair share of public sector investment. It is unfortunate that the Government seem to be planning for the Land Registry offices in Swansea and Cardiff to merge and go to Cardiff. It is unfortunate that at the moment—I realise this issue is devolved—it looks as though the trauma centre for south Wales may well be in Cardiff and not in Swansea. Indeed, I think that a lot of the major investors, such as the BBC and others, tend to migrate to Cardiff.

This book I have here by Rhodri Morgan reminds me that there was a time when putting money in—such as with the Driver and Vehicle Licensing Agency in Swansea, the Mint in Llantrisant and when Ford went to Bridgend—that we would think very carefully about how to move things not only out of London, but within Wales. The hon. Member for Ceredigion (Ben Lake) said the same thing: we need to disperse the opportunity to grow our economies. There are such things as the lagoon, electrification and hubs and centres of excellence, which might be office space for financial communities and the like, and they need to be moved into places such as Swansea.

We hear about investment in prisons in north and south Wales, but when we talk about investment in prisons, we are basically talking about the opportunity to have people, who might be children now, incarcerated in the future. Instead of thinking of prisons, we should be thinking about investing in the education and economic opportunities to lift people out of poverty. It is absolutely appalling that in Britain today, the age of austerity has meant that for the first time since the 1920s, the bottom 10% of girls now being born are expected to live a shorter amount of time—their life expectancy is going down. We are seeing that the cost of austerity is tens of thousands of premature deaths.

It is time to see a fairer Britain. It is time to see a fairer Wales and a fairer Swansea. I hope that as we approach the challenge of Brexit, the Government will change their ways and invest in economic opportunity on a more egalitarian basis to help, in particular, places such as Swansea to get the tools that they need to achieve the opportunities that they deserve.

9.29 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I join colleagues who have paid tribute to the work of Lord Crickhowell and Lord Richard. Lord Richard was from Ammanford, my home town, and although I am not that familiar with the work of Lord Crickhowell, I certainly pay tribute to the work of Ivor Richard and his incredible contribution to developing the devolution settlement in our country of Wales.

The Secretary of State's remarks at the start of the debate largely concentrated on the need for a new UK internal market following the British Government's decision to set the red line of leaving the EU single market and customs union. I fear that he has missed the crux of the argument. His argument is that the UK Government must maintain full control over the creation of that internal market. As I said during the general debate on Europe on Thursday, I recognise, as somebody who supports Welsh independence, that there would have to be a UK internal market for the British state, if the British state decides to leave the EU single market.

The question is: how will it be constructed? Will it be constructed just by Westminster, or do we accept that we have a multipolar settlement in the UK with four national Governments? It is my firm view that the new UK internal market, if we are to leave the single market—I think that that is completely the wrong decision, by the way—must be constructed and regulated equally by the four Governments. It cannot be a matter for the Westminster Government alone. [*Interruption.*] The hon. Member for Brecon and Radnorshire (Chris Davies) completely opposed devolution. This is a power grab. Indeed, we heard in that debate people talking about the British state being a puppet Government or a vassal country if it did not leave the single market, but that is exactly the fate that now faces Wales as a result of the British Government's policy.

The shadow Secretary of State concentrated on the tidal lagoon. I agreed fully with her comments and those of many other hon. Members. It seems that the British Government are stalling because of the cost implications of the contracts for difference financing model. I have some sympathy with that, but my counter-argument would be: considering how cheap it is for the British Government to borrow on the bond markets—because of the ultra-loose monetary policy pursued since 2008—why do they not invest directly? It would be far cheaper for us as taxpayers to do that than for the cost to be loaded on to consumers via their energy prices. I therefore have little sympathy with the British Government's argument that the scheme is unaffordable. The right hon. Member for Clwyd West (Mr Jones) pursued this issue with vigour. He made an excellent speech about the potential of this technology, and I commend him for the manner in which he made that contribution.

The hon. Member for Glasgow North (Patrick Grady), a fellow member of Plaid Cymru, contrasted the SNP Scottish Government's progressive agenda with that of

the Labour Welsh Government. He concentrated on the bedroom tax and the public sector pay cap. The Labour party in Wales fought last June's general election on the basis that it would scrap the pay cap in Wales, but we have seen little progress. He could also have mentioned tuition fees, because whereas the Scottish Government scrapped them, the Labour party, following a general election in Wales at which it stood on a manifesto pledge to scrap tuition fees, actually raised them as their first act following the election.

The hon. Member for Monmouth (David T. C. Davies) talked about numerous people in England accessing health services in Wales and, as usual, gave a passionate performance. I did not agree with a single word he said, but his contributions are always good quality. The hon. Member for Cardiff Central (Jo Stevens) made a serious speech in which she highlighted the industrial dispute over pensions that is impacting on lecturers—Plaid Cymru Members stand in solidarity with them—and the importance of the university sector to the city of Cardiff and her constituency in particular. She also mentioned the Erasmus project, which is very important to higher education in Wales and brings in a lot of funding. I bumped into an official dealing with this in Brussels. Countries and regions outside the EU can qualify for and contribute to the Erasmus project. Quebec in Canada does, for example, because of the French-speaking element and the importance of its higher education institutions having a link with French universities. I understand that the Scottish Government are pursuing the matter with vigour, and unilaterally—regardless of what the British Government decide to do. They intend to reach an agreement with the European Union after Brexit to ensure that Erasmus can continue from a Scottish perspective. Unfortunately, we are way behind in Wales, and I think that the Welsh Government need to pursue the matter with vigour as well.

The hon. Member for Montgomeryshire (Glyn Davies) concentrated on cross-border issues. He highlighted the Pumlumon scheme, of which I was completely unaware. I commend him for his work on that, and I also commend my hon. Friend the Member for Ceredigion (Ben Lake). It sounds very exciting, and I think that it should be pursued on a cross-party basis, because it will be very beneficial for the communities of Ceredigion and Powys.

The hon. Member for Ynys Môn (Albert Owen) is no longer in the Chamber, but I congratulate him on securing the original debate. He talked about the importance of links between the Republic of Ireland and Wales. Much of the commentary on Brexit has been about avoiding a hard border on the island of Ireland, but equally important to Welsh Members is avoiding a hard border, and a trade border, in the middle of the Irish sea, as that would be hugely problematic for our Welsh ports. There is no doubt that if there are two different borders between the British state and the Republic of Ireland—a soft border on the island of Ireland and a hard border on the Irish sea—trade flows will bypass Welsh ports, as there will be a convenient trade route up through the north of Ireland and across to Scotland and England. That would be hugely detrimental to the economy of the west of our country. The hon. Gentleman also argued passionately that St David's day should be a bank holiday for the people of Wales. Of course, Plaid Cymru Members totally agree.

[Jonathan Edwards]

The hon. Member for Newport East (Jessica Morden) made a very passionate speech about the problems facing the steel industry following the implementation of US tariffs, which worry me very much. We seem to be moving into the middle of a global trade war at the very time when we are leaving the protection of the EU customs union. Following the statement made by the Secretary of State for International Trade last week, I asked him what trade defence mechanisms the British state, outside the customs union, would employ against the might of the United States economy. Unsurprisingly he was unable to offer a single idea. These are the sort of problems that we will face if the British Government pursue their policy of leaving the customs union. Indeed, Mr Barnier has said that the UK will have to renegotiate 700 international agreements during the transition phase if we are to stay where we are at the moment.

The British Government believe that they will create great global trade deals with countries such as the United States during that period, and, on top of that, conclude the trade deal with the European Union. It is not going to happen; it is pure fantasy. In view of how far we have progressed with the Brexit process, we urgently need a dose of reality in the political class regarding what is facing us.

My hon. Friend the Member for Ceredigion highlighted the importance of placing the rural economy at the heart of economic planning. Indeed, he called for a complete rethink of economic policy implementation. My hon. Friend has been here for a very short while on the parliamentary timescale, but he has already made a vital contribution by attacking the major economic problem facing Wales: the brain drain of our young people, and its social and economic consequences.

The hon. Member for Torfaen (Nick Thomas-Symonds) spoke passionately about universal credit. I used to work for Citizens Advice, so I know that it is a fantastic organisation. The hon. Gentleman mentioned some pressing and important cases.

My hon. Friend the Member for Dwyfor Meirionnydd (Liz Saville Roberts) paid tribute to the work of the voluntary sector, and talked about the prophecy of Dewi Sant: “Do the little things”, or “Gwnewch y pethau bychain”. She rightly highlighted the work of community groups in her constituency.

The hon. Member for Cardiff North (Anna McMorrin) made a powerful speech about the need to resist the Westminster power grab. I could not have put it better myself. I think I shall have to send the hon. Lady a Plaid Cymru membership card. She made some very brave comments about anti-Welsh bigotry, which I believe is the last acceptable form of racism. I am grateful to her for putting her points so powerfully.

The hon. Member for Aberavon (Stephen Kinnock) rightly highlighted the injustice of the cancelled rail electrification between Swansea and Cardiff. It now takes longer to travel between those cities on the new trains, because they are bigger, and it takes 90 minutes to travel down to London. Our priority must be investing in infrastructure in our own country. We should revisit the decision by the Silk commission that rail infrastructure should be devolved. Unfortunately, that proposal was taken out when the back-room deal between the two

main Unionist parties was done during the St David's day process, and that will cost Wales a lot of investment unless we put things right.

I will leave it there, Mr Speaker, because I think I have taken up my time. Perhaps in future years, we may be able to push for a full day of debate, rather than half a day.

9.39 pm

Chris Ruane (Vale of Clwyd) (Lab): First, may I add my condolences to the families of Lord Crickhowell and Lord Richard, who were two servants of Parliament and of Wales?

Many great themes have been explored by speakers on both sides of the House. On growth deals and city deals, my right hon. Friend the Member for Delyn (David Hanson) and the right hon. Member for Clwyd West (Mr Jones), and indeed my hon. Friend the Member for Ynys Môn (Albert Owen), spoke about the need to speed up the north Wales growth deal—I agree. The hon. Member for Ceredigion (Ben Lake) mentioned rural parity with urban areas, which is also a valid point, especially in relation to digital connectivity. The right hon. Member for Clwyd West wanted devolution for north Wales, the hon. Member for Glasgow North (Patrick Grady) wanted the devolution of policing, and the hon. Members for Monmouth (David T. C. Davies) and for Montgomeryshire (Glyn Davies) wanted cross-border services and cross-border devolution. My hon. Friend the Member for Cardiff North (Anna McMorrin) spoke of a Brexit power grab against the devolved Assemblies and Parliaments.

On green energy, the right hon. Member for Clwyd West spoke about the tidal lagoon, as did my hon. Friend the Member for Ynys Môn. My hon. Friend has coined the term “Energy Island”, and he spoke about the need for Wales to develop a world vision and to be a world leader for green energy. On transport, the right hon. Member for Clwyd West—he is getting a lot of mentions; I agreed with him on many points—talked about the need for electrification of the north Wales railway line and for it to be connected to Manchester airport and HS2.

The hon. Member for Glasgow North said that Wales would bear the brunt of Brexit, with a 10% drop in the Welsh economy, and my hon. Friend the Member for Cardiff North said that Brexit brought out bigotry among many people, especially those from England. My hon. Friend the Member for Ynys Môn spoke of Welsh-Irish links; as a Welsh-Irish person, I agreed with him entirely. The hon. Member for Monmouth spoke powerfully about the Welsh education system, and my hon. Friend the Member for Cardiff Central (Jo Stevens) mentioned tertiary education and the negative impact that Brexit will have on the three universities in Cardiff. My hon. Friend the Member for Newport East (Jessica Morden) spoke passionately about steel, as did my hon. Friend the Member for Aberavon (Stephen Kinnock). We heard of an attack from both east and west—from the US and China.

Jobs and unemployment were mentioned by several speakers, including the hon. Member for Ceredigion, who spoke about the effects of low wages on child poverty. My hon. Friend the Member for Torfaen (Nick Thomas-Symonds) talked about the impact of benefit

cuts on the poor, and the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) mentioned the valuable role that the voluntary sector plays in Wales.

In the few minutes left to me, I shall speak about a few of those points myself. There has been great regional inequality since 2010, especially under the strict austerity that has blighted this land for the past eight years. The Welsh Government have lost £1.5 billion from their block grant every year since 2010. Despite those cuts, the Labour Government in Wales are sheltering people and local government from the worst excesses of austerity. Budgets for health, education and local government have all been protected, but the dam is about to break.

Wales needs more help. We hear much talk about the north Wales growth deal, the northern powerhouse and the regional industrial strategy. They are great terms, but where is the beef—where is the money? Talk is cheap, but we want action. Just this month the Government published their response to HS2 with the Crewe hub consultation. That policy area has massive consequences for north Wales but, yet again, there is a complete lack of detail for north Wales.

It is impossible to talk about addressing regional inequalities without referring to Brexit. Only hours ago, in this very Chamber, the Financial Secretary to the Treasury was quizzed on the implications for Irish-Welsh trade, post-Brexit. Once again, there was nothing from the Government to reassure Welsh people, beyond vague platitudes. The people of Wales have benefited from two decades of the highest rate of EU funding. They were hoodwinked in the referendum by members of the Government who told them that Wales would not lose out if they voted for Brexit. Farmers, 58% of whom voted for Brexit, now find that they could lose 40% of their subsidies. They are only now seeing the deceit. The funds that were delivered directly to Wales to help the poorest and most deprived areas of the UK—and of the EU—will now be filtered through London and creamed off to be spent on the Government's pet projects around the country. Austerity will bite much deeper in Wales without those EU funds to buffer our Welsh economy.

Many Members have spoken on the need for Wales to lead the way on green and low-carbon energy. I was proud to switch on North Hoyle wind turbines off the coast of Rhyl in 2004. Since then, nearly 300 additional offshore turbines have been added off the coast of north Wales. Wales will host a new nuclear power plant on Anglesey, and progress is being made in developing solar farms across Wales. The continued silence of the Government on tidal lagoons is stymying the Welsh Government's attempt to be one of the greenest nations on earth. Four of the six tidal lagoons for the UK could be located in Wales, which could become a world leader in this new technology. The only thing holding us back is this Conservative Government's refusal to engage in that vision. This is deeply disappointing. A green Wales would provide economic stimulus, reduce our dependency on foreign—and potentially rogue—states to meet the country's energy needs, and help in the fight against climate change. We need central Government to back the Welsh Government in developing this vision for Wales.

I want to finish by talking about the impact of austerity on the whole population of the UK and especially that of Wales. Last week, research from the Equality and Human Rights Commission showed that an extra 1.5 million children in the UK would be living in poverty by 2021. About 80,000 of those children living

in poverty will be in Wales—that is probably an extra 2,000 in each of our constituencies. After 20 years of falling poverty, it is on the rise again on this Government's watch. A third of children in this country now live in poverty, along with 16% of pensioners.

The Government have done much to champion employment levels, and this is welcome, but, given the fact that 47% households in poverty have at least one person in work, it is clear that work is not working for those people. Something is fundamentally wrong with the way in which our economy is working. To put it bluntly, we are seeing trends in poverty that were last seen in 1994. Since 2010, the Conservatives have only had one tool in their toolkit, and that is austerity. It is not working, and the people of Wales are bearing the brunt.

In closing, I would like to thank all Members for their contributions today. I remind Ministers that the people of Wales and of the UK want hope, they want vision and they want justice. They are fed up to the back teeth with the eight years of austerity that they have already suffered, and they are appalled at the prospect of another 10 years, as promised by this Government. It is no wonder that the Government lost their majority last year, and we on this side look forward to the next election when we will finish the job and put a Labour Government in power.

9.48 pm

The Parliamentary Under-Secretary of State for Wales (Stuart Andrew): Diolch yn fawr, Mr Llefarydd. I am grateful for this opportunity to respond to what has been a fascinating debate. I should like to thank my right hon. Friend the Secretary of State for his opening contribution, and to congratulate him on the fact that it is two years today since he came into post. I should also like to echo the comments that many Members have made about Lord Crickhowell and Lord Richard, and to offer my condolences to their families.

The last time we debated Wales I was new to my post, and I have attempted to get my Welsh back up to scratch. Since then—some 20 years since I last did Welsh—I have actually done some Welsh language media, and I felt proud about doing that. I am doing my best to reacquaint myself with the language. In fact, I must give the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) credit for comments she made at the Welsh Grand Committee, where she talked about the importance of using the language, even if we stumble and make mistakes, and I am sure that there will be many mistakes.

I congratulate the hon. Member for Ynys Môn (Albert Owen) on securing the original debate. It was a shame that we could not have it on St David's day itself but, given how difficult it was for people to get back home, it was a sensible decision. As my right hon. Friend the Secretary of State mentioned, St David's day and Wales Week in London have been a fantastic success, and I was pleased to hold two roundtables during that time—one on the tech industry in Wales and one on tourism in Wales. Tourism is really important for Wales, and we need to do something about the number of people who come to the United Kingdom but do not enjoy the beautiful, spectacular scenery and all that Wales has to offer. It is particularly important that we consider how to get people to go to mid-Wales.

Chris Davies (Brecon and Radnorshire) (Con): And Brecon and Radnorshire.

Stuart Andrew: Of course.

My right hon. Friend touched on some remarkable points in his opening statement and how significant they are for Wales. In just under two weeks, we will see the new devolution settlement come into force in Wales on the same day that Wales puts in place its first devolved taxes, as we provided for in the Wales Act 2014. Not only are we transferring powers to the Welsh Government, but the Budget announced significant fair funding for the Assembly.

Many subjects have been discussed during this debate, including Brexit, transport, growth deals, universal credit, the rural economy, broadband, the NHS, the tidal lagoon, energy, universities, steel, and local organisations such as Rotary and the Royal National Lifeboat Institution. There was also mention of bigotry, and let me say clearly from the Dispatch Box that I am proud that I have tried to fight bigotry wherever I can, and I will always stand up for people who are facing discrimination. It is important to recognise, though, that not everybody is bigoted towards the Welsh. At the weekend, I was in my local pub, where most of my friends are English. Everyone has a nickname in the pub, and one of my friends, Mucker, had the grace to shake my hand and congratulate Wales on their strong performance. There is lots of support for us out there.

Turning to the growth deals, the whole point is that we are trying to rebalance the economy. We have heard lots about doing that today, but that is what the growth deals are all about. We need local involvement, because local people, local businesses and local authorities know their areas best and know the uniqueness of the local economies. That is why we are keen to deliver the deals. We already have the £1.2 billion scheme for Cardiff and the £1.3 billion scheme for Swansea, and I am taking a personal interest in the north Wales scheme. In fact, my first official visit after my appointment was to meet the leaders of the north Wales growth deal to show them that I am absolutely committed to ensuring that we deliver for north Wales. I am acutely aware of the concerns that north-west Wales should not lose out to the more industrial north-east Wales, and I am keen that the growth deal recognises every single part of north Wales and the contribution that it can make to growing the local economy.

Lord Bourne was in Aberystwyth last Friday to start the discussions on the growth deal in mid-Wales. The hon. Member for Ceredigion (Ben Lake) made some important points and is a doughty campaigner on broadband. We are investing money to ensure we get broadband connectivity and we introduced the universal service obligation to try to guarantee that every household has the right to request a minimum broadband speed. We will do everything we can on that, and I hope it may well feature in the emerging growth deal that comes forward.

Albert Owen: The Minister will be aware that the roll-out in Wales has been undertaken by BT, along with Welsh Government, UK Government and European Union support. Can he guarantee that if we leave the EU, the UK Government will make up the shortfall, so that we can have full coverage across the whole of Wales?

Stuart Andrew: As I just mentioned, the USO that we put in place seeks to achieve that before we even reach the point the hon. Gentleman mentions. We are committed to delivering it because we recognise its importance.

I also want to address the cross-border issue, because it is important. We have already shown that we are keen on making sure that we maximise the cross-border potential we have. My right hon. Friend the Secretary of State held a summit in south Wales not so long ago, and the fact that the tolls are going from the Severn bridge will be a huge transformational project in terms of encouraging that cross-border activity. As the hon. Member for Newport East (Jessica Morden) mentioned, the area is already starting to see some of the benefits, although I know there will be challenges, too. I was pleased to meet my right hon. Friend the Member for Clwyd West (Mr Jones) and other members of the all-party group on Mersey Dee North Wales to hear how we can make that cross-border connectivity even more effective in building the economy in north Wales.

We also talked about steel, and I know that many Members rightly have concerns about that. I assure them that the Secretary of State for Wales has spoken recently to the UK trade commissioner to the US to get an update on the latest developments, has met the US ambassador to the UK, has written to the First Minister to update him on the situation and is acutely aware of the issues being faced. The Government have been clear that tariffs are not the right way to address the global problem of overcapacity—a multilateral solution is needed. We will continue to work with EU partners to consider the scope here and the work that will be needed to protect the steel industry as much as possible.

Energy was another issue raised, and I know the hon. Member for Ynys Môn (Albert Owen) has worked very hard on getting my home island to become a great area for investment in energy. I certainly look forward to working with him in the future. We also heard a discussion on universal credit. I know that there have been issues with it as it has been rolled out, but that is why we have been taking time to roll it out, and to listen and make alterations to it. The old system meant that if someone worked a minute over 16 hours they would lose so much benefit, and that was not a good incentive. We are continuing to monitor this to make sure we get it absolutely right.

International Women's Day received a number of mentions, including from the hon. Member for Ynys Môn, who referred to Megan Lloyd George, a former Member of this House. I also pay tribute to the 93-year-old constituent of the hon. Member for Torfaen (Nick Thomas-Symonds) who is serving as a mayor. There is hope for us all yet that perhaps our political careers can carry on long into old age, even for those, like me, who have a very marginal seat.

This has been a great debate, and I am grateful to all Members, from all parts of the House, for the contributions they have made. It is a good testament to the passion we all have for Wales. I know there has been criticism from some Members that Conservative Members do not care about Wales, but I can tell them that we fight day in, day out for Wales. We are passionate about its success. This is why we are all working hard for it, in every level of government here in Westminster, and we will continue to do so, for as long as I am in this role.

Question put and agreed to.

Resolved,

That this House has considered Welsh Affairs.

Business without Debate

BACKBENCH BUSINESS COMMITTEE

Ordered,

That Robert Courts be discharged from the Backbench Business Committee and Nigel Mills be added.—(*Bill Wiggin, on behalf of the Selection Committee.*)

PROCEDURE COMMITTEE

Ordered,

That Sir Edward Leigh be a member of the Procedure Committee.—(*Bill Wiggin, on behalf of the Selection Committee.*)

Island Health Trust

Motion made, and Question proposed, That this House do now adjourn.—(*Kelly Tollhurst.*)

10 pm

Jim Fitzpatrick (Poplar and Limehouse) (Lab): I am grateful for the opportunity to raise concerns about the running of the Island Health Trust by its trustees and about the role of the Charity Commission. I would like the Minister to reassure me that when apparent abuses are highlighted, the Charity Commission has the appropriate powers and resources to investigate and intervene where necessary.

By way of a brief background, the Island Health Trust was set up to hold the physical asset of a health centre that provides much-valued GP services to residents on part of the Isle of Dogs. The centre also hosted several other health services at the same location. The centre was originally funded by a mixture of loan finance and grants from the London Docklands Development Corporation and Tower Hamlets Council, after a local campaign for such a centre in the 1980s.

The trust's main sources of income are the rent from the local NHS clinical commissioning group and the service charges paid by the good doctors who work at the health centre. From that, the trust has accumulated a surplus of some £1.3 million. There are serious questions about £349,000 having been paid to a consulting company that is solely owned by the chair of trustees, Ms Suzanne Goodband. That represented 68% of the charity's income over two years.

Despite the surplus that has built up, the trust has increased doctors' service charges to such a high level that the GP practice has been forced to vacate the health centre's first floor and other ancillary services have also had to move. There are concerns about trustees' ulterior motives with respect to the future use and development of the building. There are suggestions that there is a plan to develop and build on the site, which has high land value, but such development cannot take place because of the terms of the original title deeds and arrangements, which were laid down decades ago.

It might be helpful if I list the concerns of local people and their representatives before I raise questions about the powers and response of the Charity Commission. The local concerns are, first, about money—the payment of £349,955 to the trust chair's consulting company.

Jim Shannon (Strangford) (DUP): I congratulate the hon. Gentleman on securing this Adjournment debate, which highlights an important issue. Does he agree that regardless of how the money is distributed by the trustees, there must be checks and balances to secure the moneys? If things do not add up, questions should rightly be asked and must be answered. The hon. Gentleman is asking those questions.

Jim Fitzpatrick: The hon. Gentleman raises the central point that I am trying to make. I hope to elaborate on why there are so many concerns locally.

As I was saying, a number of questions have been asked locally, including about the lack of local control and the fact that there have been 10 new trustees since April 2016, but curiously none of them was appointed from among the residents who actually live locally or are patients at the centre. Other concerns include the loss of services at the centre—I have already mentioned

[*Jim Fitzpatrick*]

the emptying of the first floor; the high increase in service charges at the centre, which has led to the emptying of the building; a trustee being removed without notice or agreement; and trustees approving payments for periods before they were appointed as trustees. I will come back to that last concern, because it seems to me to be bordering on fraud and so possibly criminal.

People are concerned about the resolutions that altered the trust's constitution, which were allegedly approved by a trustee who has written to the Charity Commission to deny that he did so. At the time of the amendment, the board of trustees had a quorum of three and there were only three trustees, so his denial calls into question the legality of such changes. If the decisions were not legal, the spectre of fraud arises again.

In addition, there have been claims by the chair that she has expertise in getting around restrictions imposed by the Charity Commission; accounts detailing "grants" given by the trust in 2016-17 that were not approved until autumn 2017, six months after the end of the financial year; and accounts detailing "grants" that were actually costs, such as for a deep clean of the centre, which was never a grant. To suggest that the trust was making grants, in line with its constitution, seems to be a defensive move, but it is clearly false. That is not an exhaustive list.

This debate appears to be mainly about health provision on the Isle of Dogs, because it is about the running of a local health centre, but because the Island Health Trust is a charity, the management and running of the building is not an NHS responsibility. I am grateful to see the much respected Minister from the Department for Digital, Culture, Media and Sport responding and not one from the Department of Health and Social Care, because it is the Charity Commission, for which DCMS has oversight, that is responsible for governance of the IHT, not the Department of Health and Social Care. That itself raises questions about the model of oversight and controls—or the lack of them—but that is a separate issue.

I would not want the record to give the impression that it is just me who is unhappy. This matter is of public and cross-party concern. To show that, I need to say that these issues have also been raised by the mayor of Tower Hamlets, Mr John Biggs, who has written to me, the Department of Health and Social Care and the Charity Commission; the Tower Hamlets CCG; Blackwall and Cubitt town councillors Dave Chesterton and Candida Ronald, who have led the local campaign on this important issue, engaged directly with the Charity Commission, and written extensively to raise the alarm; and the leader of the Conservative group in Tower Hamlets, Councillor Peter Golds, who has also written to all concerned.

There has also been a resolution, unanimously passed by Tower Hamlets Council, and finally by a public meeting attended by more than 100 residents and patients. We therefore look to the Charity Commission to address the concerns. I first wrote to the Charity Commission on 10 February 2017, having been alerted to these matters. It wrote back, apparently on 2 March 2017, although I did not receive the response until 20 July that year, probably owing to the general election. Its conclusion in that correspondence was:

"The Commission is satisfied that the Trustees have acted within their powers."

Needless to say, that was not the response that we wanted or hoped for, so we asked for an urgent meeting. Councillor Ronald and I got that meeting on 24 August 2017, when we personally presented our evidence, and asked why and how the commission could possibly arrive at the conclusion that the trustees acted within their powers in respect of the money paid to the chair's personal consultancy. I should say that at that point we only knew about £180,000, as the latest accounts had not been published. It was only afterwards that we found out that it was nearly £350,000 that had been paid.

Although that did not look right to us, we then got correspondence from the commission on 1 September 2017, which stated that

"remuneration of the trustees, is explicitly allowed in the charity's governing document, and therefore the Commission cannot intervene." That is key, because the constitution, which allows the payments to be made, only does so because it was altered by a vote of the trustees—a vote that I hope to demonstrate was actually invalid.

Evidence from documents supplied to the Charity Commission shows that the charity's constitution was altered on 27 February 2015, reducing the quorum for decisions from three to two. It reads:

"The Companies Act 2006—Special Resolution:

1. That article 9.2 of the Charity's Articles of Association be amended, such that Article 9.2 should read: 'A quorum is two Trustee members.'"

This sounds fine, except that I have an email from one of the trustees at the time, Mr Stephen Molyneaux, which says:

"I was a Trustee of the Island Health Trust from the 1990s through to my 'removal' on 1 April 2016."

He goes on to say that he wrote to the Tower Hamlets CCG expressing his concerns. He writes:

"This includes the 'certificate of passing special resolutions' which altered the constitution of the Island Health Trust. I can say categorically that these changes, were not approved by me. At the time that these resolutions were passed, the quorum for the Island Health Trust was three."

He goes on:

"There were only three Trustees at the time—Suzanne Goodband, Alan Holman, and me. In the absence of my agreement, these changes could not have been legitimately agreed."

It appears that the trust paid the chair's consultancy over £300,000, and the Charity Commission concluded from the trust's constitution that it had seen

"that the Trustees have acted within their powers,"

and

"that remuneration is allowed in the Charity's governing document."

But Mr Molyneaux, one of the three trustees in an organisation of only three trustees with a quorum of three trustees for decisions, says that the rule changes did not happen because he was not there.

Further to the meeting that Councillor Ronald and I had with the Charity Commission, and Mr Molyneaux's email, the Charity Commission got in touch again. This time it said:

"However, we will look again at IHT and the decisions of the Trustees".

On 1 December 2017, correspondence from the Charity Commission arrived saying that it had opened a statutory inquiry, which was better news. But two additional concerns are being raised locally.

First, a Charity Commission letter to me on 14 January 2018 says that

"the Commission normally deals directly with the Charity trustees."

I seek reassurance from the Minister that former trustees, especially the whistleblower, Mr Stephen Molyneaux, will be interviewed, as well as others who have important evidence.

Secondly, a current trustee who contacted the commission with concerns reports that they were essentially told that as a trustee they are responsible, and that they should step down if they have concerns. That is second-hand information and not in writing, but the trustee is a professional person and I do not believe they could misunderstand. If that advice is accurate, it raises serious questions for other whistleblower trustees and the attitude of the Charity Commission towards them. It should afford them protection rather than just advising them to walk away.

There is serious unhappiness that a much used, needed and appreciated local health centre with professional clinicians and caring staff is being bled by people who should be cherishing, nourishing and promoting it. Furthermore, the Charity Commission, which is responsible for protecting public money and the good name of organisations that receive that money, could have acted more quickly and seems limited in how it can act. Money that should have been used for the health and welfare of local citizens instead sits in the bank account of an individual who boasts of getting around the rules and who has a chequered history of having previously resigned from an NHS trust, reported in the local media thus:

“In January 2004, Suzanne Goodband mysteriously quit her role as chief executive of the Royal Berkshire and Battle Hospitals’ NHS Trust, after just seven months in charge.”

I hope that the Department of Health has advised the Minister what the background to that resignation was, as the information is not public. It may be entirely innocent, but I hope that the Minister can understand that there are local suspicions in east London.

This is a serious local issue, and I look forward to hearing some reassurance from the Minister. Locally there is disbelief, as what has happened is not only questionable but wrong and possibly criminal. The Charity Commission is the body that we all expect not only to safeguard public moneys but to protect the reputation of the charity sector and to sort things out when they go wrong. I hope that the Minister can confirm that it has the resources and the powers to do that important job.

10.13 pm

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Tracey Crouch): I thank the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) for bringing forward this debate, and for his informative and passionate speech. It is always good to see hon. Members and local councillors across the political spectrum working together to stand up for their communities and hold charities to account.

Based on information brought forward by the hon. Gentleman and others last year, the Charity Commission engaged with Island Health Trust. That engagement raised serious regulatory concerns, and consequently the commission opened a statutory inquiry in November 2017. The statutory inquiry into the Island Health Trust is live and ongoing. Therefore, neither I nor the Charity Commission can comment on the details of the investigation, so as not to prejudice its outcome. However, I reassure the hon. Gentleman that the inquiry remains a priority for the commission, and that it aims to conclude the inquiry as soon as possible.

The purpose of an inquiry is to examine relevant issues in detail; investigate and establish the facts so that the regulator can ascertain whether there has been mismanagement and/or misconduct; establish the extent of any risk to the charity’s property, beneficiaries or work; and decide what action needs to be taken to resolve the serious concerns, if necessary using the Charity Commission’s investigative, protective and remedial powers. The commission published the scope of the inquiry and is clear that it examined the extent to which the trustees had prudently managed the charity’s financial resources since April 2012. The Charity Commission has no powers of criminal prosecution, so if it does uncover evidence of criminal offences, it passes this evidence to the police for investigation.

The collective responsibility for ensuring that a charity is properly run rests with its trustees. They all have a legal duty to ensure that the charity lawfully fulfils its purposes and does so in the best interests of its beneficiaries. A charity’s trustees should be a strong first line of defence against misconduct or mismanagement. It is important that current or former trustees co-operate fully if the Charity Commission requests information from them as part of their investigation. The commission has said that it welcomes the commitments offered by a trustee and former trustee in this case. As persons responsible for the management and administration of the charity, the trustees referred to by the hon. Gentleman cannot be regarded as whistleblowers, but the commission’s inquiry will need to understand their involvement in decision making at the time and consider whether they properly fulfilled their legal duties to the charity. The commission has confirmed that it will be speaking to Mr Molyneaux in due course.

The investigation into Island Health Trust is progressing and the inquiry remains a priority for the commission, but it needs to be considered alongside the commission’s other statutory inquiries and other functions. I am sure that the hon. Gentleman will understand that the number of statutory inquiries opened by the commission has tripled since 2015 and applications to register charities have grown by 40% over the past four years. I know that hon. Members will also appreciate that since February the commission has had to divert significant resources to dealing with the sudden increase in serious incident reports regarding safeguarding concerns. That is a significant volume of work for a small non-ministerial department with fewer than 300 staff. However, in January the Government announced an additional £5 million a year for the commission’s baseline funding from April this year in recognition of those pressures.

I am sorry that I cannot go into the specific details of this case, which are rightly a matter for the independent regulator. I do believe, however, that the commission has the necessary powers to properly investigate and take action in this case. I politely and humbly urge the hon. Gentleman to remain patient while the Charity Commission conducts its statutory inquiry. Once again, I thank him for raising this important issue and helping local residents to hold a local charity to account. I assure him that all parties are working to resolve the issue as swiftly as possible.

Question put and agreed to.

10.17 pm

House adjourned.

Westminster Hall

Monday 19 March 2018

[MR NIGEL EVANS *in the Chair*]

Orkambi and Cystic Fibrosis

4.30 pm

Paul Scully (Sutton and Cheam) (Con): I beg to move,

That this House has considered e-petition 209455 relating to access to the drug Orkambi for people with Cystic Fibrosis.

I will first read the petition into the record, if I may. It is entitled “Make Orkambi available on the NHS for people with Cystic Fibrosis”, and states:

“Conventional CF treatments target the symptoms of CF, precision medicines like Orkambi tackle the cause of the condition. Though Orkambi is not a cure, it has been found to slow decline in lung function, the most common cause of death for people with CF, by 42%.

In July 2016, the National Institute of Clinical Excellence (NICE) recognised Orkambi as an ‘important treatment.’ They were, however, unable to recommend the drug for use within the NHS on grounds of cost effectiveness and a lack of long-term data.

We are calling on the British Government to call for a resolution to ongoing negotiations between Vertex Pharmaceuticals, NHS England and NICE as a matter of the utmost urgency. It is essential that a fair and sustainable agreement is found.”

To date, there are 115,419 signatories to the petition.

It is a pleasure to serve under your chairmanship, Mr Evans. This is my first debate here—hon. Members have not come to see me, but to support this important cause. It is incredible to see so many people, and to see these Benches and the Public Gallery full. I thank my hon. Friends and colleagues for supporting this noble cause.

Ian Paisley (North Antrim) (DUP): Does the hon. Gentleman agree that the reason why there is such public and political interest in this matter is that the Government have acted in a prehistoric way when it comes to treating patients? This drug should be purchased and made available as widely as possible and as soon as possible, so that patients who suffer from this disease can have a better quality of life.

Paul Scully: I understand the hon. Gentleman’s position and concern, especially so when many people in Ireland in particular are cystic fibrosis sufferers, but I remind him that NHS England is the procurer, not the Government—it is done through that independent process.

Mr Charles Walker (Broxbourne) (Con): I discussed this with my hon. Friend the Member for Meon Valley (George Hollingbery), who is in the Chamber. We decided that it is essential for Vertex and NHS England to be reasonable. There is common ground and a deal to be done. Both sides need to work towards that with the encouragement of the Minister and the Department of Health and Social Care.

Paul Scully: I totally agree. When I say that the Government are not the purchaser of the drug, it does not mean that they are without responsibility. The Government have a position, which I will flesh out in a short time, but it is important that they play the role of middleman to encourage negotiations between Vertex and NHS England to ensure that sufferers can get the cutting-edge treatment they deserve.

Mr Jim Cunningham (Coventry South) (Lab): We are told the drug is not economical, but has anybody done the figures on that, given the seriousness of the disability? I wonder whether the hon. Gentleman or more probably the Minister have any figures. People cannot take things out of thin air and say, “It is not economical,” without letting us know the figures.

Paul Scully: I clearly do not have the figures that may have been done on the economics, but I know there is a test, which I will talk about later, in which the treatment falls between two stools. In effect, the system does not suit this kind of condition. It suits acute conditions far better—I will come to that shortly.

Alex Burghart (Brentwood and Ongar) (Con): My hon. Friend is being extremely generous with his time. Is it the case that this treatment might prevent certain conditions from escalating, and so prevent people from having to move on subsequently to more expensive treatments?

Paul Scully: It is exactly the case—there is no doubt about that. There are many people in the Public Gallery whose children are sufferers from cystic fibrosis. When I was at the Cystic Fibrosis Trust last week, I could not meet many sufferers, because they cannot be in the same room due to the risk of infection. As my hon. Friend says, cystic fibrosis can escalate quickly, and the more we can treat the underlying causes, which Orkambi and subsequent drugs will allow us to do, the better.

John Spellar (Warley) (Lab): Can we not see, during the week in which Stephen Hawking died in his 70s from a condition that was anticipated to kill him in his 20s or early 30s, that in fact conditions can allow for a much longer life? Is it not therefore incumbent on the Government to put pressure on both NHS England and the manufacturer to get an acceptable solution that will enable younger patients in particular to have the same opportunity that Stephen Hawking had?

Paul Scully: That is very much the point. Half the people who die of cystic fibrosis are under the age of 31. The average life expectancy for someone born now with cystic fibrosis is 47, so we see how it is starting to extend. When I was at the Cystic Fibrosis Trust just last week, I thought that the two people I was able to meet were just staff of the trust and did not realise they were sufferers. Why was I able to meet them, and why did I not notice? Because they had had lung transplants. In effect, they had pressed the reset button on their suffering. They had fresh pairs of lungs and Orkambi would not necessarily be right or necessary for them. The right hon. Gentleman is absolutely right in identifying that it is for the next generation coming through.

Sir Greg Knight (East Yorkshire) (Con): In view of the national importance of this matter, would one way forward be for Vertex, the drug manufacturer, to be willing to be more flexible on costings and price?

Paul Scully: We are effectively in a position of negotiation with Vertex. When the petition was originally started, the issue was, “Here is Orkambi; let’s set a price and buy it.” It was a very high price, which is why the National Institute for Health and Care Excellence made its decision. We have now moved on to a portfolio system that Vertex is proposing. Vertex has a drug that has been available here for a little while, Kalydeco. Orkambi is available in Ireland, the Netherlands and other countries, but not here—and even then, it would not be right for every mutation of cystic fibrosis. Symdeko is coming out in the future, and there is a pathway of drugs that will have ever-increasing effectiveness on a wider group of people.

Vertex has proposed a system, which has been knocked back by NHS England, but I hope both sides can come to a reasonable conclusion as a result of this debate and as a result of pressure. The important thing is to get access for those people who are suffering and whose lung capacity can reduce so quickly at any moment.

Sir Edward Davey (Kingston and Surbiton) (LD): The hon. Gentleman is making a powerful case. Is the problem that the current system of NICE analysis, using its quality-adjusted life year—QALY—measures, is unable to take account of negotiated discounts through pipeline agreements such as the one he has outlined? Is it time that this House and the Government made it clear that that needs to be taken account of, and that NHS England and Vertex need to get together and show that the cost is good value for money when we take account of pipeline deals and negotiated discounts?

Paul Scully: The right hon. Gentleman’s contribution comes to the nub of the issue. I will scrap most of my speech, which I had not written anyway, and dash around. There are two issues. We can talk about the Government getting involved in pushing NHS England and Vertex together to make a sensible deal in this case, but I come back to the point that this is an analogue system in a digital age. I will try to do it justice, but it is a case of inequality. About 400 patients have access to Kalydeco, which I mentioned earlier. They have a particular mutation to which Kalydeco responds. Around 3,000 patients would be eligible to access Orkambi. However, the point about cystic fibrosis is that, because it is a genetic disease, it cannot be caught, so we know pretty well the number of people we will need to treat over the next few years. There are around 10,400 sufferers in this country, which is extraordinary, because there are only 70,000 sufferers around the world.

Cystic fibrosis is a pernicious disease, and I have not even started talking about its effect on the children of the people I have met. However, it is not big enough to require an international epidemic-style solution, and it is not small enough to be a rare disease. It fits somewhere in the middle.

Bob Stewart (Beckenham) (Con): Nobody can catch cystic fibrosis, but as my hon. Friend mentioned, two sufferers in the same room together can really affect one another. The bugs from their lungs can transfer, presumably through the air.

Paul Scully: Absolutely. A lot of the people I have met have aspergillus, which is a mould-based infection. It is around in the air in many homes, which for us does not matter, but for sufferers can cause a severe reaction and a severe loss of lung capacity.

Alan Mak (Havant) (Con): My constituency, and that of my right hon. Friend the Member for Portsmouth North (Penny Mordaunt), were among the top three constituencies for people signing the petition. Will my hon. Friend join me in calling on the Minister to get Vertex, the NHS and NICE to continue their negotiations, because time is of the essence?

Paul Scully: My hon. Friend is absolutely right. It is important, because every day counts for people who have the condition. I said that cystic fibrosis cannot be caught, but neither can it be cured. The people who have cystic fibrosis now will be the same people who have it for the rest of their lives, which basically means that the supply of Orkambi would have a fixed price. We know pretty well, within a margin, how much we would spend on this lifelong treatment.

The current evaluation process turns on an incremental cost-efficiency ratio, which is the total additional lifetime cost of a treatment divided by the additional quality-adjusted life years resulting from that treatment. For acute conditions, the additional quality-adjusted life years resulting from the shorter-term treatments moderate the efficiency ratio, even if the drug is expensive. However, because drugs for chronic and lifelong conditions have to be taken every day for life, the cost of the treatment prevents that downward moderation. Basically, it is easier, under the NICE appraisal system, for medicines for acute conditions to attain a more favourable cost-effectiveness outcome than for innovative medications for chronic conditions, like Orkambi. It is basically a one-size system.

We then have to take into account section 13G of the National Health Service Act 2006, as amended by the Health and Social Care Act 2012, which requires NHS England to have regard to the need to reduce inequalities in health outcomes. Those two imbalances in the system need to be looked at if we are to have a system that is far fairer for people with illnesses such as cystic fibrosis.

Douglas Ross (Moray) (Con): My hon. Friend’s excellent speech rightly focuses on NHS England, but does he agree that there has been a great campaign to get Members from across the country to come to the debate? Some 74 of my constituents signed the petition, because cystic fibrosis sufferers across the UK want action.

Paul Scully: I agree. It was a fantastic effort from—it was a remarkable achievement—the petitioners to get 114,000 signatures within 10 days. I have been on the Petitions Committee since its start and, short of having a go at Donald Trump and a few of the Brexit debates, this is one of the most potent petitions, and one of the more productive.

Alex Chalk (Cheltenham) (Con): Does my hon. Friend agree that drugs companies need to behave ethically in pricing their vital medicines? While profit itself is not a dirty word, when it comes to cystic fibrosis treatment, profiteering is.

Paul Scully: One thing I will say in favour of Vertex in this case is that, although the amount of people who suffer from this condition is fortunately restricted, the research and development still has to go in. It is not like developing the next ibuprofen or cancer drug, which will go out to millions of people; this would go out to 70,000 people in the world. In order to build that

research and development budget in, Vertex needs to charge reasonable costs for the drug. None the less, those costs do need to be reasonable. That is why the negotiation needs to be absolutely above board, transparent and sensible for the sake of the sufferers, who, frankly, do not have time to wait for a prolonged negotiation.

Paul Girvan (South Antrim) (DUP): So much emphasis is put on the cost of treatment, yet if we add together the costs of the cocktail of drugs that many sufferers are currently on, there probably would not be a big difference from the cost of the new drug.

Paul Scully: I will come back to that important point in just one second. We were talking about the campaign being brought together, and I want to pay tribute to the hon. Member for Dudley North (Ian Austin), who has done a fantastic job in raising the profile of cystic fibrosis. I am sorry that I was not able to be at the roundtable that he hosted—I was out of the country—but 41 Members were there who were keen to learn more about this. That is because of his efforts and the efforts of the petitioners, and that is absolutely to be welcomed.

Ian Austin (Dudley North) (Lab): That is very generous of the hon. Gentleman, and I am grateful, but the credit is due not to me but to the fantastic campaigning of the Cystic Fibrosis Trust, the army of people around the country who have this condition and their families. Let us be honest: that is why there are so many Members in the Chamber today, just as there were at the roundtable. However, I am grateful for what he says.

Paul Scully: Take it while you can—I am joking, of course.

We have talked a little about cystic fibrosis, and we are all here because we know what it is, so I will not talk about that. I know that lots of Members want to speak, so I will finish with the little hint that I have seen of what it must be like to live with cystic fibrosis. It goes to the point about medicines from the hon. Member for South Antrim (Paul Girvan). I saw a fantastic video—it is private at the moment but I hope the Millers will make it public—of Grace Miller, who is 15 and likes to run. What many people do not understand about cystic fibrosis is that many people have to do physio. They actually do more training than a lot of professional athletes. These kids, who may be aged three or four, have to get up and use a nebuliser for an hour or so. I met a mother who talked about her three-year-old daughter who would use a nebuliser with salty water. It would make her cough and make her sick, and she would then have to do her physio. She would have to run on the spot and run around the house for a while, and then she would have to go and eat.

However, cystic fibrosis also suppresses nutrient intake, so sufferers have to eat far more than normal people—50% more in many cases—with some people taking up 3,000 calories or maybe more each day. It is therefore no surprise that sufferers often have a really unhealthy relationship with food. They just do not want to eat. We talked about one girl who filled her pockets with coins because she did not want to go to school and be underweight. That relationship with food is relatively minor in some ways, compared with the shortage of breath and the actual illness. We have not even started to talk about the underlying illness that cystic fibrosis causes.

Liz Kendall (Leicester West) (Lab): The hon. Gentleman is being very generous with his time. One hundred and eighteen of my constituents signed the petition, so I am very grateful for the debate. He speaks with great passion about the huge challenges facing people living with cystic fibrosis. I agree that NHS England and the drug company need to get together to resolve this issue as quickly as possible. However, does he agree that the bigger issue is about ensuring that NICE has the proper processes in place to make sure that new drugs are agreed as quickly as possible? Does he also agree that the Government should review that, to make sure, not only with this issue but with others, that people have confidence in the process and that that follows the right principles and guidelines?

Paul Scully: I thank the hon. Lady for that intervention, and I totally agree with her.

I will finish on the issue of living with cystic fibrosis by saying that in addition to having physio and nebulisers, sufferers often have to take a huge cocktail of drugs, as the hon. Member for South Antrim said. The cupboard that I saw for Grace was bigger than one of my kitchen cupboards and it was just full of medicines. There have to be savings in that respect. To return to the hon. Lady's point, it is really important that we have a system that is fit for purpose. We can sit there and put sticking plasters, as it were, on all these things, but that is what we need. When we are talking about the health service as a whole, it is not always about the big headlines that we argue about across the Chamber. It is about efficiency and ensuring that things work in the modern age. For modern diseases, there need to be modern treatments and so on.

Hugh Gaffney (Coatbridge, Chryston and Bellshill) (Lab): The hon. Gentleman is making a great speech. Before he finishes, I would like to say that I have had more than 250 emails on this issue alone from my small constituency. The point I want to make to the Minister is that we have a full house in this Chamber and a full Public Gallery. I want this noted. The Government have to act on this issue—not just talk about it, but act on it. Let us take some action.

Paul Scully: I thank the hon. Gentleman for that intervention. I will give way one more time and then conclude.

Matt Western (Warwick and Leamington) (Lab): The hon. Gentleman has been very generous with his time. What struck me most—I am sure that this was the case for many people in the Chamber—was just how many countries, particularly in Europe, have agreed and licensed this product. Therefore the cost-benefit analysis has been done, and therefore it is now incumbent on the Government—the Secretary of State—and the NHS to sit around the table with Vertex and discuss how we can deliver it as soon as possible.

Paul Scully: I thank the hon. Gentleman for that intervention. Let me be the first to mention Brexit. This is not quite as random as it might seem, because I met someone last week who lives close to the Irish border. Of course, that means that his daughter cannot access Orkambi, but if they were only a few miles across the border, in the Republic of Ireland, she would have access to it. We have to address that inequality, and that will be done, as I keep repeating, by two things. If we

[Paul Scully]

can ensure that we use any of our good offices to get NHS England and Vertex to come to a sensible agreement quickly, we can get the portfolio process started now. But I also ask the Minister to see what more he can do to adapt the system long term, so that it is fit for purpose for those modern-style, portfolio-type deals that are done elsewhere.

I keep talking about the urgency of this issue. We were taken to the Cystic Fibrosis Trust by someone who works here, one of the parliamentary outreach team. Alasdair lost his partner. Her lung capacity had dropped to 20% before she died. Some of the people we met had seen their lung capacity drop from 90% to 15% within two or three months. That is why things such as infections are so dangerous. It does not take a lot. Something that we would just shake off can be, for these people, literally a matter of life or death, or it can be a matter of being able to get a lung transplant somewhere down the line or not. That is why there is this sense of urgency. They have been described as a limited number of people, but none the less they are crucial, important people who, if we give them the treatment that they deserve, can go beyond the 31 or 47 years and live a full life, as we would expect to do. With that, I will conclude and let others speak.

Several hon. Members rose—

Mr Nigel Evans (in the Chair): Order. Could everyone take a seat? Hon. Members can see that quite a lot of people want to participate in this very important debate, so please use some self-discipline in the length of speeches. I call Ian Austin.

4.54 pm

Ian Austin (Dudley North) (Lab): I congratulate the hon. Member for Sutton and Cheam (Paul Scully). He gave a really good explanation of this issue and why this drug should be provided. Hon. Members are supposed to start their speeches in these debates by saying how pleased they are that the debate is taking place, but I am not pleased at all. I think that this is the third debate on this issue in which I have taken part over the past few years. We have presented petitions at Downing Street. We have had campaign events in Parliament. As has been said, we had 41 Members at a roundtable just a few weeks ago. And we are still here. Three years after Orkambi was approved for use and two years after NICE said that it was “important and effective”, we are still here, waiting for it to be provided for people with cystic fibrosis. So I am not pleased that we have to have another debate about this issue, but whatever I feel about that is nothing compared with the upset and worry—indeed, the terror—that people with cystic fibrosis and their families go through as they wait while their health, life expectancy and quality of life decline.

The reason why I have taken an interest over the years in this issue is that I was contacted by Carly Jeavons, an amazing woman from Dudley who took part in the clinical trial for Orkambi. I have also been contacted by Samantha Carrier, a young mum from Dudley whose baby daughter Daisy was diagnosed shortly after birth and who now devotes her life to campaigning for access to these life-changing drugs. I want to tell everyone here what Carly told me, because it explains much better than I can why we are here and

why this drug must be made available. Before being put on the clinical trial, she had had to choose between leaving work, with all the financial hardship that that would cause, and struggling in work, with her health being made worse. She had to take 90 tablets and do two hours of physiotherapy every single day. Her lung function was at about 44%, and she spent two weeks in hospital every couple of months. She told me:

“Orkambi has changed my life. I quickly became well enough to start to live a more normal life again as a working mum. My health has remained stable. I only need one or two courses of IV’s per year instead of four. Hospital visits have massively reduced and admissions are non-existent.”

But that is just part of it.

Julia Lopez (Hornchurch and Upminster) (Con): The hon. Gentleman makes the important point that if people have access to this drug, they can reduce the number of times they have to go to hospital. It would be very helpful if we had an understanding of the cost of those hospital admissions and what that would be if it was offset against the cost of the drug. Does he agree with that point?

Ian Austin: That is a really important point and one that I hope the Minister will take into account. We should be looking not just at the cost of providing Orkambi, but at the savings that that would make in other areas. I want to develop that point in a few minutes.

What I did not understand before speaking to people with cystic fibrosis was the toll that not knowing whether they will be given these life-saving drugs takes on their mental health. I am talking about the worry that it causes them and their families and the stress and fear that it puts them through. Something else that I did not understand before meeting Carly was the impact that having a condition that reduces life expectancy has on the rest of someone’s life. Lynsey Beswick, who many hon. Members will recall was at the roundtable a few weeks ago, explained that very well. She is in her 30s and told me that, at a time when her friends are getting married, planning families, developing their careers and starting businesses—making long-term plans—people such as her are deterred from doing those things. They just cannot plan for their futures in the same way because, to put it bluntly, they do not know how long they have to live.

Since having Orkambi, Carly has been able to go on holiday abroad for the first time with her family. She has married. She has started a business. Let us think about that. She has started a business, so she is employing people and making a much bigger contribution to the economy. People talk in these debates about the cost of providing these drugs. Let us talk also about the contribution that people who are given Orkambi can make to society. Let us think not just about the cost, but about the contribution they make, the businesses they can start, the jobs they can create and the taxes that will be paid. Let us think about that as well. Let us think about the contribution that providing Orkambi can make to our economy.

What is worse, the longer people live without access to drugs such as Orkambi—I had not really appreciated this—the worse their lungs become. Every day that access to this drug is delayed is another day on which the lungs of people with cystic fibrosis are damaged. I want to repeat that point, because I really want people

to think about this: every day that people who could be helped by Orkambi are denied it is another day on which their lungs suffer irreparable damage.

That damage will not be put right. It is not like some medical conditions whereby the patient is given a drug and they are cured, restored and put back to how they were originally. That is not the case here. That damage will not be put right when—or if—they eventually get this drug. The damage that has been done is permanent. Every day this treatment is delayed limits the lives of people it could help. I really want the Minister and others to understand that point, because I must confess that I had not fully understood it until I chaired that roundtable with the Cystic Fibrosis Trust and Vertex a few weeks ago.

Alison McGovern (Wirral South) (Lab): My hon. Friend is making a brilliant and important speech. I am here because of my constituent Ava and her family. Ava loves horse riding and her family want her to have the opportunity to live her life as an ordinary, healthy seven-year-old. That is all they want. Orkambi could provide her with that opportunity. Is not it people such as Ava and the people my hon. Friend has mentioned whom we have to keep at the forefront of our minds?

Ian Austin: My hon. Friend is completely right. This is what politics is about. What are we here for? We are here to listen to people in our constituencies. It is our job to come here and speak up on their behalf, which is exactly what she has just done.

I want the Minister to look really carefully at the way in which NICE works. This is not a criticism of NICE, the Government or anyone else, but new drugs are being developed and technological changes are happening so rapidly that I want to ask whether the way in which drugs are assessed, licensed and approved still works. My central question is: how are Ministers going to ensure that these ground-breaking drugs and new developments are made available much quicker?

In 2016, NICE was not able to recommend the use of Orkambi due to uncertainty about its long-term value, impact and cost-effectiveness. Vertex submitted a fresh proposal last month. On Friday, NHS England said:

“Following advice from Nice, the NHS has asked this particular drug company to review its proposed pricing. Unless this happens, further progress at this time is frankly unlikely.”

What sort of hope does a blunt statement such as “frankly unlikely” give people with cystic fibrosis? How does it give us any confidence that new drugs such as Symdeko, which is due to have its marketing authorisation confirmed by the European Medicines Agency in the coming weeks, will be approved as well?

Alex Sobel (Leeds North West) (Lab/Co-op): My hon. Friend is making an excellent speech. A constituent who has two children with cystic fibrosis wrote to me:

“I have lived at first hand now for 42 years in close proximity to this cruel disease...Orkambi, expensive as it is, will offer a possible lifeline to many CF sufferers. On the cost effective side I think it is worth pointing out just how expensive it is to hospitalise and treat CF patients when they are ill, as happens frequently.”

She went on to say that the local facilities are superb, but:

“The cost of any drug that reduces the number of hospital admissions would I am sure, be at least significantly off set by the savings in NHS”.

Does my hon. Friend agree that it should be proved on that basis?

Ian Austin: My hon. Friend is absolutely right. The Minister and the Department need to take on board that really important point, which has been and will be made repeatedly.

I understand that the Government want to pay as little as they can for these drugs—of course, it is taxpayers’ money—and the company wants to get the best price possible. However, the question for Ministers is how this impasse is going to be resolved. I repeat: delaying means that people are dying sooner. Their lungs are suffering irreparable damage. Their lives are shorter. They cannot plan for the future. These drugs are available in the USA and across Europe, in France, Germany, the Netherlands, Austria, Italy, Luxembourg, Denmark and Ireland. When does the Minister think patients here in England will get them?

The Government’s response to Sir Hugh Taylor’s important accelerated access review opens by stating:

“The Government’s ambition is that NHS patients should be among the first in the world to get life-changing treatments.”

I note the words, “first in the world”. The response continues:

“Achieving this goal is only possible by working in close partnership with our world-leading life sciences sector.”

I say to the Minister again: this system is not working. That is not a criticism of him. He is a good guy. We have worked together on lots of issues. It is not a criticism of the Government, NICE or anyone else. It is just that NICE was not designed to deal with the development of these sorts of drugs. However, I ask the Minister to commit personally to sorting this out. It is really urgent. The system has not worked. Patients are being let down. Ministers need to take charge of this personally, so that an agreement can be negotiated as soon as possible. We are asking him to take charge of it personally and to make it an urgent priority to get this sorted out. Will he meet me, other MPs and the Cystic Fibrosis Trust, to look at the issue again? Will he promise today to take charge of the negotiations and ensure that progress is made? I want the Government to look at the issue again. Vertex needs to come up with a new proposal, too; it knows that it will have to negotiate and compromise. Will the Minister lead a new set of negotiations and get these people in the room, so that these drugs can finally be provided and other people in England can benefit in the way that Carly Jeavons has?

5.6 pm

Sir Mike Penning (Hemel Hempstead) (Con): It is a pleasure to take part in this debate. Like everybody in this room, I have constituents who suffer from this terrible genetic disease. We live in a society where sometimes those who shout loudest get heard more, but interestingly, it is not possible for those who suffer from this terrible disease and their families and loved-ones to have orchestrated the petition. Members of the general public who have no contact with someone who has CF have signed it and decided that the process is fundamentally unfair. Like the hon. Member for Dudley South—

Ian Austin: North.

Sir Mike Penning: My apologies—don’t forget I am a southerner.

The hon. Member for Dudley North (Ian Austin) and I had a good meeting at the roundtable. All of us learned things. For colleagues who were not there, there are some good notes to come around.

[Sir Mike Penning]

We thought we would not have a decision by tonight from NHS England on the Vertex proposals—it usually takes much longer—so I was very disappointed when I saw not only what NHS England put out, but the press release from Vertex. As the hon. Gentleman said, it is not so much because the Department, NICE or the companies are bad—our constituents could not have any of their drugs without the R&D done by those companies. NICE is not capable, under its guidelines, of properly analysing the benefits of the drug, or the other drugs coming down the line. The Republic of Ireland must have sat in exactly the same position that we are now in. It had difficult negotiations with Vertex about a plan for not just one or two drugs, but the drugs coming down the line.

Let us not beat about the bush: this drug is not a cure. It helps some people. At the end of the day, they will either have a transplant or their lungs will give way. It is wonderful that we will have an opt-out transplant system. People are dying in this country today because the organs are being wasted. Lung transplants are vitally important. We should all campaign in our constituencies to give people the confidence to tell their loved-ones what they want done with their organs, rather than just relying on the legislation. At the end of the day, to help people today and future sufferers of this terrible disease—we know they are coming, because it is genetically in the system—we need not only drugs that slow it down and stop the lungs filling with fluid, but to get a cure. I hope we get to that position in my lifetime. Those of us who have been in the House for some time will remember taking the Human Fertilisation and Embryology Act 2008 through. It was very controversial when we started using that sort of technology, research and work, but I am pleased that we passed that Act because many people are around today who have better lives and who, without us using that technology, would have been very worried.

As my hon. Friend the Member for Sutton and Cheam (Paul Scully) said, this is not about individuals. When an individual gets CF, the whole family and all their loved ones get it. If the family is not there, what happens? The NHS and social services. Several colleagues have asked about the overall cost. If we do not give people these drugs—not just this one, but the others coming down the pipeline—the cost to the NHS is greater. If we take away the moral and ethical position that we have something that will improve and extend someone's life and look just at what NICE looks at—the cost implications—it is plainly obvious that we need to have a better system for NICE to assess the costs.

My hon. Friend called it “physiotherapy”, but someone who suffers with CF has to have a pummelling. People have to do an amazing thing to their loved ones to get the fluid out their lungs and to stop them drowning internally. Instead of saying that drug companies are bad and NICE is good, we need to bang some heads. Frankly, the only people within Government who will do that are the Ministers. That was said to me time and again when I was a Minister. Time and again I tried, and time and again I got pushed back, but I kept going.

It is obvious—to echo what I said at the start of my comments—that those who shout the loudest should

not always win. In this case, we need to shout for them. That is what we were sent here for, and that is what we should do today.

5.12 pm

Mr Stephen Hepburn (Jarrow) (Lab): It is a pleasure to see you in the Chair, Mr Evans.

I thank hon. Members on both sides of the House who are here to push this great case forward. I pay tribute to my hon. Friend the Member for Dudley North (Ian Austin), who organised a very constructive roundtable meeting where we learned a hell of a lot. I also pay tribute to all the campaigners, some of whom are represented today. They fought hard, got the petition organised and had such a loud voice that Parliament has not been able to ignore them.

We are all here because we want Orkambi to be made free on the NHS. It is a drug that works, improves lives and gives hope, so there is no reason why it should not be available. We agree that NICE's 2016 decision to class Orkambi as not cost-effective for the NHS was wrong. Frankly, the Minister is in a position to get round the table with the drug companies, NICE and the NHS to resolve this and break the deadlock.

Margaret Greenwood (Wirral West) (Lab): My hon. Friend is making a really good speech. A constituent—a proud and loving grandad—came to my surgery with two sets of photographs of his granddaughter, who is nearly six. One photograph was of a lively little girl, full of energy, and the other was of all the medication that she has to take every single day. The imagery could not have been starker. Does my hon. Friend agree that when someone is nearly six, a year is a very long time to wait for change, and the Minister should get a move on?

Mr Hepburn: I agree entirely and am pleased my hon. Friend has repeated my earlier plea to the Minister.

It has been said that Orkambi is recognised in a lot of countries—I do not want to go through the list, because there are many. We are getting left behind. Imagine what it is like to be a sufferer and to be told, “There is something out there that will improve your life and your family's life, but, sorry, it is just not cost-effective.” Imagine how that makes them feel.

I have two constituents down here today: Emma and Chris Corr. They have a three-year-old daughter who has undergone more hospitalisations, more medical treatments and more operations than the vast majority of people will go through in the whole of their lives. All Emma and Chris want is to give their daughter a future and ensure that she is not limited in her life chances. I will be brief, but my plea is to think of the likes of Harriett: let her go to school and get a full-time education, without impediment; let her get qualifications; let her get a job; and let her live a long life. The alternative is unthinkable, whereby Harriett will have a deteriorating lifespan, leading to an early death, which I am sure we would all agree is unacceptable for anyone.

The final decision is with the Minister. I hope he recognises the unity of purpose in the House and acts immediately.

5.16 pm

Bim Afolami (Hitchin and Harpenden) (Con): It is a pleasure to serve under your chairmanship, Mr Evans. It is also a pleasure to be in this debate. I commend my

hon. Friend the Member for Sutton and Cheam (Paul Scully). As has been said, the number of Members of Parliament here for a Westminster Hall debate is extraordinary, and shows how much Members and constituents care about this.

I will be brief because it is important that Members have a chance to make their contributions. Cystic fibrosis is the most common inherited genetic disease in the UK. We have already heard that Orkambi has been praised as being important and effective by NICE.

I am thinking about two of my constituents: Matthew Dixon-Dyer, who suffers from the disease himself, and Karen Murphy, whose son suffers from the disease. They urged me to speak in this debate. They did not just want me to urge the Minister to take charge of the negotiations with Vertex, or at least to press NHS England much harder to come to a resolution with Vertex. Nor was it to do with just cystic fibrosis or this drug. It is important that the cost-benefit analysis that NICE uses reflects chronic conditions, which drugs such as Orkambi deal with, more broadly, rather than just dealing with acute conditions, which it was typically designed for.

Like my hon. Friend the Member for Hornchurch and Upminster (Julia Lopez), I ask the Government to build the greater cost to the NHS later into the cost-benefit analysis. As we have heard from many Members, individuals may have to be in hospital for weeks on end as a result of the reduction in lung capacity. Karen Murphy's son was in hospital for 16 weeks. I do not know what the costs of that were.

Mr George Howarth (Knowsley) (Lab): The hon. Gentleman is making a very powerful point. Does he agree that, while we need processes to evaluate new drugs, sometimes the system does not work, which is why we have Ministers and such debates?

Bim Afolami: Yes, sometimes systems do not work and, as I said, I believe that in this case the Minister should get involved, but we also need to look at the processes. Members of Parliament cannot come to the House and demand action for every single drug. We need to build in better processes for NICE so that when there is a drug such as Orkambi, which deals with a chronic condition and can make a significant difference to people's lives, the Government, Members of Parliament, this country and our society can act in the right way.

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): It is important to note that the average life expectancy for someone suffering from cystic fibrosis is just 28 years. That is why Orkambi is so critical, because it will help people to maintain life expectancy and a good quality of life in the prime of their life.

Bim Afolami: My constituent, Mr Dixon-Dyer, is in his early 30s. He and his wife have a baby on the way. That gave him such an impetus that he came to me, because he wants to be around for that child's life. I want him to be around too.

I hope the Minister takes note of the strength of feeling, which as he will be aware is not typical for a Westminster Hall debate, and looks kindly on the proposal.

5.20 pm

Ms Marie Rimmer (St Helens South and Whiston) (Lab): It is a pleasure to serve under your chairmanship, Mr Evans. I congratulate the hon. Member for Sutton and Cheam (Paul Scully) on securing the debate. For good reason, the issue has galvanised popular opinion.

As we all know, cystic fibrosis is an extremely serious, debilitating and life-limiting—yet thankfully rare—diagnosis. As we have heard, in February, Vertex proposed a portfolio approach whereby all current and future cystic fibrosis medicines, including Orkambi, would be made available to eligible patients through a fixed budget cap to the NHS.

I was extremely disappointed to hear NHS England's response on Friday that there will not be further funding for Orkambi. As it is a treatment that is proven to improve and prolong the lives of 50% of sufferers, that decision is a cruelty to cystic fibrosis sufferers across the country. The portfolio approach has been accepted and agreed in the Republic of Ireland, Austria, Denmark, France, Germany, Luxembourg, the Netherlands, Italy, Greece and the US, but sadly, discussions here—with the world's best health service—have broken down.

CF causes a build-up of mucus in the lungs that means that patients require physiotherapy, almost from birth, to keep them breathing properly. CF patients are more susceptible to lung infections and can suffer from malnutrition owing to the effect of the condition on the pancreas. When NICE made its initial evaluation of Orkambi as a treatment for the devastating condition, the evidence that it slows lung deterioration by 52% and reduces hospital admissions was not available, and therefore not costed. NICE is simply not fit for purpose any longer; it cannot evaluate a portfolio approach and precision drugs. For NHS England to turn its back on the small group of patients that suffers with this rare, debilitating illness and to ask Vertex to reapply to NICE is shocking. If it did reapply, it would get exactly the same answer—so why do it? Does NHS England understand that? Does NICE understand that? Are we going to send these seriously affected families around and around?

Vertex now has a broader pipeline of 18 drugs that will follow Orkambi in the next seven years. If the portfolio is agreed, it will advance on to those medicines. Will the Minister work towards a more flexible approach? Simply, he must get involved to benefit the small group of patients for whom a much better quality of life is in sight, but just out of reach, otherwise they will never get the treatment that they deserve and that they should be getting.

The parents of two constituents, Christian Jones and George Barton, contacted me. Christian's mother, Hayley, wrote to me and said that Orkambi

"is not a cure but it is life altering, as it lowers admissions and reduces lung deterioration by 42%."

She believes that Christian's other medications will only increase unless he can access the drug. She also wrote:

"This genetic condition is awful to live with as a parent, wondering whether you will bury your child before they reach 20. I can't begin to know how it must be for my son and other patients when they can't breathe properly or speak without coughing or how his lungs must burn."

She has nothing but praise for the NHS, in particular Whiston Hospital in my constituency where Christian has been treated since he was just weeks old. He is

[Ms Marie Rimmer]

now two. In trials, Orkambi has been shown to help children aged between six and 11 to improve their oxygen uptake by up to 10%.

Orkambi would also be of immeasurable benefit to my constituent George Barton. George's mother, Louise, wrote to me when she heard that the NHS's provision of Orkambi was going to be debated in this place. George is eight years old and, like Christian and most other CF sufferers, was diagnosed as a young baby. CF is progressive, so George's lungs are beginning to degenerate. Every day, he takes 30 to 40 tablets, has an hour of physio and takes two nebulised antibiotics. Louise told me that when he catches an infection, he can quickly become so seriously ill that he needs extra physiotherapy and intravenous antibiotics three times a day for a full two weeks. At times, George has to stay in Whiston Hospital, or, because he and Louise live nearby, the nurses come out and take care of him at home. In fact, when Louise first wrote to me, she was in hospital with George on a two-week stay. She wrote that although "the damage to his lungs is becoming more serious, Orkambi can slow this down".

George, Christian and thousands of other CF patients need that niche treatment, and there is the political will in this place to fight for them. Only about 3,000 people would benefit from the drugs. I urge the Minister to get involved, to facilitate further discussions between NHS England and Vertex, and to push for a flexible solution. Orkambi is a different type of drug that we cannot evaluate at this time. This is not only about licensing Orkambi, but the promise of those 18 drugs still to come, which Vertex will advance on to. NICE simply cannot evaluate and I urge the Minister to intervene.

5.26 pm

Michael Tomlinson (Mid Dorset and North Poole) (Con): It is a pleasure to serve under your chairmanship, Mr Evans, and to contribute to the debate. I, too, congratulate my hon. Friend the Member for Sutton and Cheam (Paul Scully) on his presentation of the debate, and I congratulate the hon. Member for Dudley North (Ian Austin) on his speech and on the way he has campaigned.

Of my constituents, 177 signed the petition. One in particular, Kerri, came to my surgery recently. She wanted the voice of her daughter, Faith, to be heard in Parliament. Faith says:

"My name is Faith. I'm 19 years old. I was diagnosed with cystic fibrosis at 8 months. I'm in my 2nd year of University. I study at Solent Uni in Southampton and enjoy it very much, however I have a low attendance due to my sickness. I'm constantly off and I miss a huge amount of lectures, even though they accommodate to help me catch up, but this is worrying to me as I have missed so much of my education due to cystic fibrosis, both in Uni and previously at school and college.

Orkambi would benefit so many children and adults just like me. It would decrease the impact of this condition, and slow down the decline in health. This would enable me to be healthier and follow my ambitions, whereas, at the moment I'm just sick, and tired of being sick and tired!

I want to do well for my future, so please consider Orkambi if you want to help the next generation! I suggest you revise your choice on allowing sufferers with cystic fibrosis access to a life changing drug. I want to live a life unlimited, after all people my age are the future and I wish to be a part of it."

Faith's words speak for themselves, and I look forward to the Minister's response.

In closing, I echo the point made by my hon. Friend the Member for Sutton and Cheam in his speech and by my hon. Friend the Member for Broxbourne (Mr Walker) in his intervention. I call on Vertex to be reasonable, and for it and NHS England to get round the table and stay round the table. If it does, that could produce tremendous results. If not, CF sufferers will lose out.

5.29 pm

Bambos Charalambous (Enfield, Southgate) (Lab): It is a pleasure to serve under your chairmanship, Mr Evans.

I was recently visited by a constituent who has twin nine-year-old daughters, one of whom—Holly—has cystic fibrosis. At present, Holly can run, play and lead an active life, but she still needs treatment and will get worse. She receives treatment at Great Ormond Street Hospital and the Brompton Hospital. Because of her genetic composition, there is still no drug available that will help her to survive beyond her thirties, but with the research and development of drugs for other cystic fibrosis sufferers by Vertex, there is hope for Holly.

For the 10,000 other cystic fibrosis sufferers, there is a chance that their lives will be improved, but that hinges on drugs being approved by NICE. We know that NICE has already approved the drug Kalydeco, which only works for the 2% of cystic fibrosis sufferers whose genetic make-up it is compatible with. However, Orkambi has not been approved, despite potentially helping a wider tranche of cystic fibrosis sufferers. NICE has ruled that that would be too costly and that there is uncertainty around Orkambi's long-term value and impact.

As we have already heard, Orkambi is widely available in the USA and in several EU countries that have seen the clear benefits of not having people spend time in hospital. In trials for Orkambi, there has been a 61% reduction in hospitalisation among those using the drug, and over a 96-week period a 42% reduction in lung decline. It is therefore disappointing to learn that despite Vertex trying to negotiate a pipeline deal with the NHS over future drug developments to tie in with Orkambi there is still no agreement. Are we really saying that there is no scope for negotiation? What price are we placing on the lives of cystic fibrosis sufferers?

Despite Orkambi being unable to help Holly, the fact that her parents are willing to campaign for others to get help is a testament to them and to the cystic fibrosis community. I ask the Minister to put pressure on NICE to reach a solution with Vertex, so that cystic fibrosis sufferers can get the medication that they need and deserve, and get it urgently.

5.31 pm

Mr Iain Duncan Smith (Chingford and Woodford Green) (Con): I am grateful to you, Mr Evans, for your chairmanship today. As you suggested, I will be brief.

So much has been said already about this drug that I want to make only two points about it at the end of my speech. I congratulate my hon. Friend the Member for Sutton and Cheam (Paul Scully) and hon. Members from both sides of the House on having been responsible for the assistance and support that has been provided—both the roundtable that took place earlier, which I was not able to attend, and the e-petition—and on representing the sufferers and their families so well. I congratulate them, and I am pleased and grateful that they have managed to secure this debate.

I am really here because one of my constituents is standing outside hoping that there may be some resolution as a result of this for her daughter, who suffers from cystic fibrosis. I have known the family and the daughter for a little while. The contrast is interesting between two children of my constituents. On the one hand, Megan Bridge is a cystic fibrosis sufferer—her mother, Gill, as I said, is outside just now—and she has made the point to me that at the moment she is old enough to study law. Like any of our children of that age, she should have great prospects, hopes and aspirations, but hers are limited because the prognosis is that she probably does not have more than another two years if things carry on as they are.

If a decision is not taken about this drug soon and agreement is not reached, it is at Megan's end of the spectrum that that becomes very difficult, because not only will further damage set in, as was said by the hon. Member for Sutton and Cheam earlier, but a decision might not be made within a year or two, in which case the prognosis for her and for her family is incredibly poor. She begs that we and the Minister—I will come back to this point shortly—make a clear decision with the drugs company as soon as possible.

At the other end of the spectrum is somebody called Amelia, who is only five years old. Her mother, Lucie, came to see me in my surgery to talk about her condition and about how the family copes with it. This poor girl, like so many others who have been mentioned, has to take 40 tablets a day, and has huge amounts of physiotherapy, including three nebulizer treatments, every single day. She is not yet on a feeding tube, but her mother has been told that if the current situation goes on for much longer then she will be.

My point is that these accounts are two ends of the spectrum. In a sense, they are not representative; although they are representative of sufferers, they are not representative of a vast number of people out in the country, because this is such a peculiar genetic condition that, as has been said time and again, not a huge number of people have it. That is where this place and Governments of whatever persuasion—this is not party political—sometimes have to recognise that the common good is not always about majorities and large numbers. It is more often the case that this place is set up to deal with those who are so small in number that they are unable to make the case for themselves. They are unable to drive the point home; they are unable to muster the vast number of votes that it might take a matter to the point where MPs listen very carefully.

What we have seen today is of enormous credit to the humanity of my colleagues on both sides of the House. These people are not likely to change the vote in my colleagues' constituencies, but they care enough about the idea that these people's lives matter that we might be able to do something for them.

Teresa Pearce (Erith and Thamesmead) (Lab): I thank the right hon. Gentleman for giving way. I am listening carefully to what he is saying, and he is saying exactly what I was just about to point out, namely that this is why we are here. This is why we are sent to this place, to speak up for the people who cannot speak up for themselves. My constituent, John Bacon, who is in his twenties, sent me a very simple email that said, "Please help me. Please speak for me and advocate for me. And not just for me, but for all those with cystic fibrosis,

and remove the price that has been placed on our lives. We are worth it." They are—and if we do not speak for those who cannot speak loudly, we should not be here.

Mr Duncan Smith: I completely agree with the hon. Lady, and that is really the point that not just me but pretty much everyone who has spoken has been making.

I do not know what detailed conversations and discussions are going on about this drug. I sat in government, so I know how complex these things are sometimes. I say to my hon. Friend the Minister that "frustrating" was the word I often used when bodies are set up and fall back on their rules because they are not so exposed to public scrutiny.

The latest evidence—I understand that it comes from the company—shows that there is stronger data and that this drug is even more vital than it was before. It now slows lung decline by 42% and it might turn out that it is even more effective than that, which would give somebody like Megan, who I mentioned earlier, the possibility of longer. What is that delay about? The possibility of transplant, and even further down the road the genetic changes that may well be able to be introduced. So, buying time matters dramatically for this group, in the hope that things will improve for them.

When I was in Government, I know that we spent a lot of time on social impact bonds. One area we worked hard on—the Government have incredibly good data on it because we made a number of case studies—is the cost-benefit analysis, to allow us to say that local authorities and so on could set up social bonds to change the number of people going into prison, or to affect the number of people who fail at school. So it was possible to forecast how a cost-benefit analysis would work; it exists.

Right now, I am not certain that NHS England and for that matter NICE are employing that system. I urge my hon. Friend the Minister to go to the Cabinet Office and say, "We have done the work on a proper cost-benefit analysis of this drug, and once it is tied in with future developments of other drugs and balanced with health treatments in hospital, constant work with physiotherapy and all the rest of it, I am certain that this group will not only to be able to have this drug, but we will ask ourselves why that didn't happen before when it so mattered and it benefits them. It also benefits us because instead of their being in hospital, others may be able to use that hospital treatment." That is a good cost-benefit analysis and I urge my hon. Friend to look at it.

5.38 pm

Kerry McCarthy (Bristol East) (Lab): It is a pleasure to see you in the Chair, Mr Evans, and I hope that you received my note, saying that I would have to leave before the end of the debate—I am sorry about that.

As my hon. Friend the Member for Dudley North (Ian Austin) said, some of us very much hoped that we would not be back here making the case for Orkambi, because our being here again means that we still have not managed to persuade the Government and the National Institute for Health and Care Excellence to fund it. However, I have been absolutely overwhelmed by the fact that so many MPs have turned out today and that, as has been said, the petition gained the required 100,000 signatures within 10 days. That is phenomenal and I cannot believe that the Government will not listen to that outpouring of support.

[Kerry McCarthy]

Constituents have contacted me about their children, their grandchildren and their friends' children—I had a lovely email from a family friend who has a little boy aged seven. I particularly want to pay tribute to Lee Partridge in Bristol for his work with the south-west parents cystic fibrosis support group. He lost his daughter Richelle in 2016 to cystic fibrosis, aged 26, and eight months later her sister Lauren died, aged 19, from the same illness. I cannot begin to imagine what that family has gone through, although I have a 13-year-old niece, Maisie, with cystic fibrosis, whom I have mentioned here before.

Maisie has been in pretty good health considering, but I have listened to Members talk about how people's health can suddenly take a dramatic dip, with their lung function percentage going from somewhere in the 90s way down perhaps to 20, and I realise that I cannot be too optimistic. I can look at her today and say, "This is a happy, healthy child". Apart from being hospitalised when she was first diagnosed at a few weeks old, she has had intravenous therapy only once, and that was almost a preventive measure because her lung function had dipped a little.

I have visited the children's cystic fibrosis unit in Bristol and the adult treatment centre at Bristol Royal Infirmary, and many people spend their entire lives coming in and out of hospital, so we have been very lucky, but Maisie still has to have a cocktail of pills. When I spend time with her, her whole life is dominated by which pills she has to take. Every time she eats something she has to take her Creon. She has to have physiotherapy. She has also just been diagnosed with the very rare Wieacker-Wolff syndrome—we have suddenly discovered that one other child in the country has it. I thank the Government for supporting the deciphering developmental disorders study into 12,000 children and adults with undiagnosed conditions that has been carried out over the past couple of years, because it was only through that that we knew what was causing Maisie's mobility problems and mild learning difficulties. The mobility problems obviously make it more difficult for the physio to be done and for her to be more independent.

Sir Oliver Letwin (West Dorset) (Con): What the hon. Lady describes is a quality of life. Does she agree that, at root, what we are dealing with here is the problem that NICE measures the quality of life-adjusted years and does not measure improvements in quality of life of the kind she describes?

Kerry McCarthy: How do we measure the cost to the family? How do we measure Orkambi's worth? To me, it would clearly be life changing, perhaps even life saving. When my hon. Friend the Member for Dudley North hosted his roundtable, it was reassuring to hear that Orkambi is another step forward—Kalydeco helps only 2% of people and we think that Orkambi could help 40%—and that drugs are in the pipeline, being worked on now, that may bring help to all cystic fibrosis patients in this country. It was said that it is too soon to judge whether the developments, rather than being just life-prolonging, could be life-saving, with cystic fibrosis being a condition that people live with, like diabetes, rather than one that people die from. Surely that is where we want to get to.

The overall picture is that getting one drug on the market is a stepping stone to further research, and it is about buying time, as the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) said. Maisie is now 13 and it is imperative that she get on such a drug if she turns out to be one of the children who can be helped, because, frankly, we do not have an awful lot of time before her condition might deteriorate. I cannot stress enough how important that is to us as a family. She obviously has hopes for the future. At the moment, she wants to star in musicals, which might be slightly over-ambitious. She has just got back from a horse-riding weekend in Wales.

I finish on that note of buying time. We do not have the luxury of time. We need to see action now from the Minister and we need to look at the overall cost to the health service and to the families. Maisie's mother—my sister—is an absolute saint. She is a teaching assistant. She works with children with disabilities. She is a forest school leader. What she does in her daily life is wonderful, juggling that with a disabled child and two other children as well. If Maisie takes a turn for the worse, my sister will effectively be removed from the workforce and become a full-time carer. We ought to consider costs like that as well. Let us not look at it as a crude mathematical calculation but as what it means for people's lives.

5.44 pm

Paul Masterton (East Renfrewshire) (Con): It is a pleasure to serve under your chairmanship, Mr Evans.

I will not go back over what Orkambi is or what it does, but it is important to remember that we are talking about only the second precision medicine for cystic fibrosis to be licensed in the United Kingdom. It has rightly been licensed for use with people over the age of 12 who have this specific form of cystic fibrosis, and both the Scottish Medicines Consortium and NICE have recognised that it is a beneficial treatment. However, neither body has recommended it for general use on the NHS, meaning that, except for on compassionate grounds in certain rare cases, many people with cystic fibrosis across the UK are simply unable to access it. Given what Orkambi can do, it is no surprise that many Scots with cystic fibrosis were disappointed by the SMC's decision in May 2017 not to recommend it for general use on the NHS in Scotland.

Although I received a number of campaign emails ahead of the debate, it was two pieces of personal correspondence that convinced me of the need to come along today and speak. Both came from a grandparent of a young person battling cystic fibrosis: Mr Alexander from Newton Mearns whose grandson is 11, and Mrs Marshall from Eaglesham. Mrs Marshall wrote to me regarding her seven-year-old grandson:

"Through vigorous twice-daily physiotherapy and the many sports he enthusiastically takes part in, he has not lost too much of his lung capacity yet. He's a very sociable and clever child and it is heart-breaking to know that this disease could be, at the very least, slowed down or almost eradicated by these new drugs which are not available to him. Please, too many people are suffering more than they need to and dying unnecessarily young because of the delay in approving Orkambi."

Kirstene Hair (Angus) (Con): I too am here because of the number of constituents who have been in touch but also because I lost a friend, Lucy, at the age of 19.

She had so much to give. She had talent and was the most caring person you could ever meet. She dealt with it in an incredibly dignified manner, and I urge the Minister to show that same dignity in dealing with his response today.

Paul Masterton: My hon. Friend powerfully sums up why Vertex, the SMC, NHS Scotland, NHS England and NICE need to work together to find a way to make Orkambi available on the NHS as soon as possible, not just in Scotland but right across the United Kingdom. I understand that confidential talks are ongoing and I very much hope that there will be a positive conclusion; there is no reason to assume that an agreement cannot be reached. We have seen things happening right across Europe, and in the Netherlands a deal was struck fairly recently to allow the drug to be made available.

Paul Girvan: Big pharma has a strong lobby and there are those within the industry who would lose out if a drug such as this were to be licensed and used in the UK. They would fight tooth and nail to ensure that it did not get across the line. I ask the Minister: whenever a new drug is assessed, is consideration given to the fact that there are those who will not want it to see the light of day?

Paul Masterton: I suspect that the Minister has listened carefully to that intervention. I, too, will be interested to hear his response.

I finish by extending my hope that we are able to get the drug licensed for more children—the current license is for those aged 12 and over. In January, the European Commission extended the marketing authorisation for Orkambi to include children aged between six and 11—just like those young people whose desperate grandparents took the time to contact me—and, just days ago, the Republic of Ireland became one of the first EU countries to make Orkambi available to children aged six and over. I hope, therefore, that Orkambi will not only become available on the NHS in the near future, but that Vertex will make a further submission to the SMC so that it can also be available to six to 11-year-olds.

Cystic fibrosis is a serious, life-limiting condition, and Orkambi can help to give people with the condition as long and healthy a life as possible. Both in Scotland and across the UK, there should be no unnecessary delay in extending access to it, either because of age or because of its availability on the NHS.

5.49 pm

James Frith (Bury North) (Lab): It is a pleasure to serve under your chairmanship, Mr Evans. My constituent Graham Little got in touch with me. His wife Claire has cystic fibrosis. Until that moment, I was not aware of the potential life-changing drug available to sufferers of cystic fibrosis. Graham and his father-in-law Brad raised with me the status of the precision medicine Orkambi. The result of today's debate could make the difference and give them decades more with their wife and daughter, Claire, and give her decades more with her children. I cannot imagine how that must feel.

We can either observe the steady death caused by cystic fibrosis—it has been compared to drowning—or reach for the life jacket, which is primed, ready for use

and in all sizes. Our country has the largest number of cystic fibrosis patients anywhere in the world, so we ask the Government what they are going to do for our cystic fibrosis sufferers. If they will not make Orkambi available, what are they going to do? The transformative, life-prolonging impact of the drug is tantamount to life-saving. Used early enough, it can ensure that people fulfil their potential. It can prolong life and lung capacity, enabling those with the disease to contribute to the economy and wider society, as well as providing extra decades with family and loved ones.

The Government should consider the case for a commissioning body for rare diseases. It is not right that the judgment criteria used to determine funding on globally common diseases are universally applied when the uncommon traits of a rare disease bring untypical symptoms and a different economic argument. We risk overlooking the incredible efficacy of the drugs now available.

The power in numbers is not much solace to a cancer sufferer, but such is the profile of cancer treatment that we are all assured of the progress being made there. The same cannot be said for the rare diseases argument, however. We have a job to do in making the case for rare diseases. I hope the Minister will listen to the case being made for a medicine and treatment decision-making body for rare diseases, as well as consider how we bring NICE into the modern age, 20 years after it was established.

Liz Kendall: My hon. Friend will know that the Government review NICE once every three years. Does he agree that the next review, which will start in July this year, must look seriously at how NICE makes its decisions? Does he also agree that the results of that review should come out quickly? Last time, it took about a year and a half.

James Frith: I completely agree with my hon. Friend. We need to see far more nimble-footed decision making by the decision-making body, as per my call for a specific dedicated body for rare diseases. Parents in my constituency make the case about the plight of those with rare diseases. There is a constant sense of those enduring rare diseases being overlooked.

We come to the remaining agents at the table. Just this weekend, NHS England has refused to agree to the deal that Vertex proposed last month. I do not think the wording of the refusal was constructive, but I am not surprised that the NHS was unwilling to sign up in principle to the deal, which amounts to a futures prospectus from Vertex off the back of a sure thing with Orkambi. Patient groups are at the table, and I commend the work that the Cystic Fibrosis Trust is doing on behalf of CF sufferers.

We need compromise and urgency from all. Nobody should expect Vertex to surrender its drugs, but neither should we accept a failure to reach an agreed price. I say to Vertex that the pipeline might need to be for another time. When I met Vertex, I cautioned that its “portfolio of drugs” approach may be cost-prohibitive to a decision, and that appears to have been the case. We need Orkambi for patients today. It is not the time to test the innovative decision making of NHS England. Vertex should take in good faith that a fair price to the world's largest population of cystic fibrosis sufferers will set it up well for future developments. A price somewhere between

[James Frith]

what it was offering in its recent pipeline deal and a single purchase deal is where we are now. I ask Vertex to please stay at the table. We keep in mind its proposal of having Orkambi readily available, swiftly and easily, for all. We urge focus on enabling that. The rest will surely follow.

At the table, there is a ministerial chair that needs filling by a Minister who is willing to lean in to the debate and signal their support for prescribing Orkambi on the NHS; willing to lead and lean in to the deal-making part of the job to transform lives; willing to look at the costs and to help with the price; and willing to align the political will to the possibility of life for those with cystic fibrosis. Treatment for cystic fibrosis has moved from science fiction to science fact, so the Minister is required to act and step in. The Government have a choice to make. They can ignore our arguments, or, having heard them, choose to change their mind. In changing their mind, they can change lives and lifetimes. I urge the Minister to do that and make real-life change for cystic fibrosis sufferers a reality. He would have support from Members across the House, as has been demonstrated by the magnificent strength of feeling in the contributions and arguments made today.

5.55 pm

Bob Stewart (Beckenham) (Con): Being born with cystic fibrosis is just the bad luck of the draw. Until I started researching cystic fibrosis to speak today, I had no idea that one in 25 of us carries a faulty gene that causes it. Nor did I realise that people were born with the condition and cannot catch it. The Cystic Fibrosis Trust tells me that about 10,400 people have cystic fibrosis in this country.

It is bad luck if both parents have a gene that might generate cystic fibrosis in their child. Most potential parents carrying a generating cystic fibrosis gene are totally unaware that they could have a baby cursed by the condition. I gather that the chance of having a baby with cystic fibrosis when both parents have the gene is about one in four. That was the case with Trudy and Gary Davey, my constituents, whose son suffers from the condition. Trudy is the daughter of my very close friend, Maggie Hopgood. Maggie's grandson Zac had the standard blood test just after his birth, and he has been on cystic fibrosis medication ever since—that is for life.

Cystic fibrosis is a rotten condition to have. Most often it attacks our lungs. Sufferers get a mucus build-up in their lungs, and lungs do not work well when they are drowning, but it can be worse than that. Our pancreas is tasked with producing enzymes that break down food in our stomachs, but that organ can also often fill up with mucus, ruining what it is meant to do. Cystic fibrosis does not stop its rampage there. It can also cause diabetes and bone disease. Cystic fibrosis is literally a pain to live with. It is always life-threatening, and it is certainly long-life restricting.

I come to the main point of this debate, which is to get cystic fibrosis sufferers, such as seven-year-old Zac Davey, better access to Orkambi. Orkambi seems to make a huge difference to the lifestyles and lives of sufferers. I gather that it works on about 50% of cystic fibrosis sufferers and slows the decline in their lung function by 42%, which is quite a result.

As we have heard, Orkambi is not normally available on the NHS except in extreme compassionate cases. Of course, the reason for that is expense. Per patient, Orkambi can cost more than £100,000 a year. On the plus side, more widespread use of Orkambi is likely to reduce the requirement for hospital treatment among sufferers—there is a spin-off in reduced NHS costs. The drive must be to reduce the costs of Orkambi. That requires action from Vertex, the US-based company that produces it, and from the Government and the NHS. I gather that negotiations have been ongoing for a while. We are talking about people's lives and their life expectancy. It must be sorted and it can be. Hopefully this debate, having raised the matter for the third time in Parliament, as we have heard, will add impetus to the resolution of the problem, and Orkambi will be made more readily available to the many who have sore need of it such as my friend's grandson.

[SIR ROGER GALE *in the Chair*]

6.1 pm

Tulip Siddiq (Hampstead and Kilburn) (Lab): It is a pleasure to serve under your chairmanship, Sir Roger. I pay tribute to the hon. Member for Sutton and Cheam (Paul Scully). I usually apply to speak in Westminster Hall rather than in the main Chamber because the waiting time tends to be shorter, but I have had to wait today because of the huge turnout, which is testament to his tenacity in securing this important debate. Many constituents have emailed us about how their condition has affected their lives. I will cut straight to the chase and say that all the people who emailed me were unanimous in their desire to see Orkambi made available on the NHS.

In all the representations I have received, whether from families who have been affected by the disease or from world class medical professionals in Hampstead and Kilburn, there is one clear message: cystic fibrosis patients do not have time to waste. I put this bluntly not because I want to state the obvious about a life-limiting condition, which has been made clear by all the contributors so far, nor to suggest that Ministers object to introducing the precision medicines that could extend life chances. I say it because it is the key message that must weigh upon all our contributions today.

I presume that most Members have received a briefing from the Cystic Fibrosis Trust, which does exceptional work in advocating for those suffering from the condition. I am proud to say that I have a constituent, Ffyona Dawber, who is a trustee and is passionate about this debate and patient education more broadly. Ffyona and her colleagues at the trust have told me over and over again about the possible benefits of Orkambi. They say that medicines such as Orkambi have been proven to add years to a patient's life. They point to the fact that Orkambi has been shown to slow decline in lung function by 42% and to cut the number of infections requiring hospitalisation by 61%. As has been quoted many times, they point to the NICE appraisal of 2016 that said that Orkambi is both "important and effective". Given that the possible benefits of Orkambi seem to be settled, it is necessary to spell out why the Government should act now and agree a sustainable solution over the cost.

It is also important to highlight the voices of those whose futures depend on the introduction of that important drug. My hon. Friend the Member for Erith and

Thamesmead (Teresa Pearce), who is sitting next to me, talked about how we have to speak up for residents and constituents who cannot come here and speak for themselves. Many who have the condition cannot travel to Parliament to witness the debate.

I echo the words of a resident of mine, Caroline Brown, who wrote to me about her treatment for cystic fibrosis. She told my office that she felt “well supported” by the NHS. She paid specific tribute to the doctors and nurses at the Royal Brompton Hospital on the Fulham Road, saying that

“they are utterly amazing. I have had the best care there and I cannot fault them.”

Her tribute to the staff at the Royal Brompton reflects those paid by other local residents, especially those whose children rely on the specialist cystic fibrosis centre at Great Ormond Street. For patients such as Caroline, my constituent, the debate over Orkambi is about enabling our world-leading medical community to focus their efforts more sharply on those with advanced symptoms, and for pharmaceutical companies to get on with investing in research for aspects of the condition where the breakthrough represented by Orkambi still evades us.

It will come as no surprise to anyone to learn how Caroline felt about the situation surrounding Orkambi. As expected, she was clear in her support for its immediate roll-out. She said:

“When I look to the future it would be very comforting to know that, if I was to need it, there would be medication there that would help me. I can’t bear the thought of knowing that there is something out there that could potentially save my life, and that I am not able to take that as I couldn’t afford it. Being symptom free for someone with Cystic Fibrosis would be life changing.”

She went on to underline the consensus that exists among cystic fibrosis sufferers. A lot of them cannot meet and be in the same room for the reasons outlined by other Members, but there is one benefit of social media—I stress one benefit—which is that it has enabled a network of people with cystic fibrosis to discuss and reflect upon the key debates in the community and to share the experience of their treatments. She knows that fellow patients are unanimous:

“They all agree it should 100% be made available on the NHS. It should be available to everyone that needs it...it is sad that money is getting in the way of people’s health improving.”

Stella Creasy (Walthamstow) (Lab/Co-op): My hon. Friend is making an incredibly powerful speech. May I add the voice of my six-year-old constituent? She would not benefit from Orkambi, but we must recognise that, if we do not get this right, the other treatments that might help her will be subject to similar delays. She is only six years old, but she does not need any delay. Does my hon. Friend agree that this matter is not only about Orkambi, but about how we deal with life-changing drugs and whether we understand the power of them to make such a difference?

Tulip Siddiq: I absolutely agree with my hon. Friend. There are lots of heart-breaking stories from people who are six and even younger who share the frustrations of the people I am speaking for today.

Caroline, my constituent, was adamant that Orkambi is just one frustration that those with cystic fibrosis have over how the current range of treatments are made available.

What aggravates my constituent is the fact that cystic fibrosis is the only incurable life-threatening disease where people have to pay for their prescriptions. I greatly sympathise with her view that charging patients for medication, in light of the fact that they often undertake between three to five hours of treatment a day, does not seem to square up to the rhetoric of Ministers who pledge their support for the cystic fibrosis community. As my constituent concludes, some people have to take thousands of pills over their lifetime, so paying for them makes life very difficult. Why should cystic fibrosis be an exception when people with other diseases do not have to pay?

I will close with three questions that I want the Minister to answer. Do the Government accept responsibility for the pace at which negotiations are being conducted, and will they apologise for the anxieties that patients are experiencing as a result? Secondly, what steps are Ministers taking to ensure that pharmaceutical companies will ensure that fair and responsible pricing for a deal can always be agreed when treatments are required on the NHS? Finally, will the Minister acknowledge the importance of finding a solution that guarantees we are never put in this position again for the future pipeline of treatments for cystic fibrosis and many other life-threatening conditions?

6.8 pm

Luke Hall (Thornbury and Yate) (Con): I am delighted to have a chance to speak in this debate, Sir Roger. I thank my hon. Friend the Member for Sutton and Cheam (Paul Scully) for securing it. When it was initially scheduled by the Petitions Committee, they probably had no idea about how timely it would be three days after the announcement that a deal has not been reached. I thank my hon. Friend for his work. I know he has worked with the CF Trust to learn more about cystic fibrosis. I also thank the CF Trust for all the work it has done not only in setting up the roundtable and for spending time with me speaking about CF, but for what it has done to educate all Members.

Paul Scully: Because of the nature of the disease and the fact that there are only 70,000 sufferers around the world, the CF Trust has 99% of the entire clinical diagnostic information of sufferers around the world, which is a good resource to be able to feed back into future treatments. Will my hon. Friend pay tribute to that?

Luke Hall: Absolutely—that example highlights the positive work that the Cystic Fibrosis Trust is doing. I want to put on record my thanks and appreciation to all the parents and campaigners, whom I find completely inspirational. Not only are they parents, which is challenging enough in itself sometimes, but they are parents of children with CF, and on top of that they manage to find time to lobby their MPs, to get groups of people together, and to get support for petitions and debates such as today’s.

James Heappey (Wells) (Con): My hon. Friend speaks eloquently about the many parents and children who have been campaigning for this cause. I add to them the voice of Helen Mann, my constituent, who has written the most wonderful, compelling book about her daughter’s life with cystic fibrosis and, indeed, her treatment with Orkambi. Her daughter, Clara, came to knock on my

[James Heappey]

door yesterday lunchtime to make sure that I came to today's debate. It was amazing to see her stood on my doorstep so full of life—a living example of just what an amazing drug it is, and how many others could benefit if only it were available to all.

Luke Hall: I pay tribute to all the young people such as Clara who are getting involved and making a difference in the campaign to ensure that Orkambi is available.

I was probably as disappointed as every Member in the Chamber to read the statements that came out on Friday about how a deal on the February offer by Vertex had not been reached. The petition for today's debate was signed by 470 people from my constituency. I am here speaking on their behalf, and on behalf of Annabelle Brennan, and her parents Elizabeth and Shane. Annabelle is three years old, and is a lovely young girl. I met her at a CF campaigning event in my constituency. She does things that other three-year-olds do, of course, but she also has to endure a complex daily routine of physiotherapy, nebulisers, medication and antibiotics to help her to manage and live with the illness.

I received an email from Annabelle's nursery leader, who is also my son's nursery leader, explaining that Annabelle's time at nursery, and her interaction with the other children in the group, is affected by her condition, because she is under constant supervision and is not always able to be involved in all the activities like the other children. Every winter, there is an added risk of further infection due to the common cold, and, as time passes, the potential for more complications increases. I remember hearing a devastating description from Annabelle's parents of how every day is like waking up on a cliff edge, not knowing when irreparable damage caused by CF will come. That highlights the importance not only of these debates and the pressure, but of getting a deal, so that Orkambi can be made available as quickly as possible. That would ensure that children such as Annabelle, and people living with CF throughout the country, can realise their full potential.

A number of colleagues have laid out evidence today that shows that Orkambi works. We heard about Carly's story from the hon. Member for Dudley North (Ian Austin)—I thank him for all he has done. We have seen international examples of the difference that Orkambi has made, but the reality is that progress on reaching a deal has been devastatingly slow. We know that Orkambi can help about 50% of people with CF. The other point we should remember is that precision medicines such as Orkambi are not just the better option—for some people, they are the only option. People have stated the countries around the world where it is already available: Austria, Germany, France, Ireland, Italy, the USA, Luxembourg, the Netherlands, Greece, Denmark, and many more. Despite the prevalence of CF in the UK, it is still not available here.

The set of statements released on Friday was disappointing, but although an agreement has not been reached, that must not be the end of those discussions; they should continue, ensuring that a deal is reached as soon as possible. It is also important that NHS England ensures that any deal is sustainable in the long term, and flexible enough to enable us to take into account any future advances in CF medication, either by Vertex

or another company. The aim of NHS England and the National Institute for Health and Care Excellence should be to negotiate the best possible long-term access for people living with CF. That has to be reflected in the deal.

I ask the Minister to convey to both Vertex and NICE the importance of ensuring that a deal is reached as quickly as possible, and I encourage him to take a seat round the table himself, so that Annabelle and other people around the country have access to these drugs. I also ask him to update us on what conversations his Department has had with NHS England and Vertex since the announcement on Friday to see where progress is likely to be made in the coming weeks and months. I finish by saying to the Minister, NHS England and Vertex, "Can we please ensure that a deal is reached as quickly as possible, because this drug has the potential to change thousands and thousands of lives?"

6.15 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): The development of the treatment offered by Orkambi has offered renewed hope to those living with cystic fibrosis and their families. Orkambi is suitable to treat around 50% of those with cystic fibrosis in the UK and, as we have heard today, that treatment can now be extended to those from aged six years, as opposed to the original licence, which was to treat those aged 12 and over.

We have heard today at some length about the controversy over the cost of the drug. As a Scottish MP, I was heartened by the Scottish Government Cabinet Secretary for Health and Sport, Shona Robison MSP, who strongly encouraged the manufacturer Vertex to take forward discussions with the patient access scheme assessment group secretariat. Those conversations continue. It is easy, and perhaps obvious, to point out the high cost of the drug—we have heard much about it—but who in this Chamber would not stretch every sinew for their child or loved one to access the drug if they could benefit from it? That is why parents and relatives of those living with cystic fibrosis have been campaigning so hard. What else can they do?

We have heard about the cost of the drug, but as we have also heard, the costs can be offset by reduced hospital admissions. NHS funding will always be under pressure as our technology advances. One consequence is that the cost of treatment is always likely to be driven upwards. Costs are important, and we have to be mindful of them, but I ask hon. Members, "If your child or loved one could benefit from a treatment, however expensive, what would you not do to help them to access it?" That is what drives those campaigning for access to Orkambi.

The campaign has been effective and moving, as we have heard. We must keep listening and empathising with what those people are saying, because we cannot just talk about pounds and pence when it comes to treatment. We are dealing with real lives, which must guide progress. Progress must be made—we all hope that happens sooner rather than later.

Bob Stewart: My point is very straightforward. It seems grossly unfair that some people can get hold of this drug and some people cannot. We ought to level the playing field.

Patricia Gibson: The hon. Gentleman makes an excellent point. That is why in Scotland we are setting up bodies to ensure that care and access to treatment is standardised across Scotland, and that it does not depend on the health board where someone lives or what route they can take to access the drug.

We heard from the hon. Member for Dudley North (Ian Austin) that there is a cost in not funding Orkambi. We have to keep that in mind, and find a way forward as soon as possible. We clearly need a more cost-effective proposition from Vertex, the production company. A constructive solution must be worked out with the Scottish Medicines Consortium, with an equivalent solution found for the English NHS. I am hopeful that a solution can be reached in Scotland and across the United Kingdom.

However, as we have heard, it is important that the processes about decisions for the approval of drugs are transparent and fair, and that we can be confident that a proper and extremely robust cost-benefit analysis is carried out. We hope that a way forward can be found and that progress can be made with the pharmaceutical companies about the cost of treatment—in particular, with Vertex and the cost of Orkambi, which can make a difference to the many people living with cystic fibrosis and their families. We owe it to them to do all we can to work with the pharmaceutical industry to find a way to make this happen. I sincerely hope we can do that.

6.20 pm

Crispin Blunt (Reigate) (Con): I join colleagues in congratulating my hon. Friend the Member for Sutton and Cheam (Paul Scully) and the hon. Member for Dudley North (Ian Austin) on promoting this cause and on drawing parliamentary attention to it in an extraordinary way in this debate. I have a constituent, Sharon Cranfield, whose 16-year-old daughter, Jessica, has cystic fibrosis. This is about the grassroots and all those people who are affected. She is but one of those who have done an amazing job in promoting this petition and in campaigning for access to Orkambi for the 3,000-plus people who could benefit from it in England.

Last summer, Jessica was given access to Orkambi on a compassionate use scheme for those with the lowest lung function, and her quality of life has been transformed. The medicine reduces the mucus that builds up in the lungs, causing infection and damage. She is already benefiting from fewer exacerbations, which, before the treatment with Orkambi, caused hospitalisations about four times a year for up to a month at a time, taking her out of school. Judging by stories such as Jessica's and the growing body of evidence that shows that the medicine is working effectively to keep children and young adults what cystic fibrosis out of hospital, there is a clearly a very strong case for making it available on the NHS.

Although many other countries have moved to reimburse this medicine in their healthcare systems, in the UK Orkambi remains unfunded more than two years since it received its European licence. The UK is falling behind our OECD peers in terms of speed of adoption, overall uptake, and expenditure on the newest medicines, and it is becoming increasingly apparent that the ways in which NICE assesses the cost-effectiveness of medicines are outdated and insufficiently flexible for precision medicines for rare diseases with relatively small patient populations, such as Orkambi.

Bob Stewart: On my good friend's excellent point, I wonder how much it costs to put a child in hospital for a month. I am pretty sure it is not far off £100,000.

Crispin Blunt: My hon. Friend leads me to my next point. How do we wish to value better and longer life for those with cystic fibrosis? How do we wish to value the savings to the NHS of reducing the 9,500 hospital admissions and the 100,000-plus hospital bed days a year? How do we wish to value the societal and economic benefits of helping young people grow up to play a fuller part in their education and employment, and the benefits to their families and care givers? How do we wish to value and reward the risk and innovation that goes into researching and developing breakthrough medicines?

NICE applies rigid health economics methodologies through its standard technology appraisal, which is designed not for rare diseases and specialised services but for primary care medicines that treat large populations with well-known diseases. Are we content for NICE to apply a threshold for valuing life that has not changed since it was established in 1999, even though healthcare inflation has almost tripled what we spend on healthcare?

My right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith) referred to social impact bonds and payment by results. I do not envy those who have to make those evaluations, such as the Minister and NICE. The costs fall on NICE and the health service budget, and the benefits are often felt elsewhere, not least in patients' quality of life. Our society and the Government have to become more sophisticated about early investment. We must be able to measure the savings that come from having fewer hospital admissions and from the greater contribution to society that people who suffer cystic fibrosis will make if we improve their quality of life and reduce the degradation of their lungs.

Does the Minister accept that, although NICE has a specific evaluation process for highly specialised technologies for ultra-rare diseases, it is missing a framework for other rare diseases and precision medicines that treat sub-groups of rare diseases? He will no doubt point to initiatives such as the accelerated access review and the sector deal for the life sciences industry. I welcome those schemes in so far as they aim to address some of the access challenges, but they count for little if there is not a willingness to find innovative and flexible approaches to introducing innovation in the NHS. If we get this right, the UK has huge opportunities better to serve NHS patients and attract industry investment in clinical trials.

Vertex, the manufacturer of Orkambi, recently proposed a portfolio arrangement to NHS England, as we have heard from many colleagues, whereby all its current and future cystic fibrosis medicines could be made available to eligible patients at a fixed cost to the NHS, irrespective of the number of patients treated. Vertex wants to work with NHS England and NICE to put a long-term arrangement in place, as it has already done in Ireland. As the company introduces new medicines and line extensions, patients will get rapid access to the most suitable products for them upon regulatory approval, and the NHS will have budget certainty. Vertex expects to develop therapies that will treat 90% of cystic fibrosis patients within seven years.

[Crispin Blunt]

In the light of the company's proposal and the strength of feeling expressed in the petition and by colleagues in this debate, will the Minister look at mandating NHS England and NICE to prioritise discussions with Vertex to find an innovative and sustainable funding solution? It gives me hope that the offer that Vertex found unacceptable last Friday included a possible portfolio approach. It failed simply because NICE was not prepared to increase the resources it already pays for existing drugs, not including Orkambi. That plainly meant that the offer could only be unacceptable to Vertex, given that it is proposing new treatments that are going to treat 10 times as many patients as are being treated by the drugs currently available.

This is urgent. As my constituent, Sharon Cranfield, said to me:

"Each day of delay is additional delay of 'irreversible lung damage'"

for those with treatable cystic fibrosis.

6.27 pm

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): It is a pleasure to serve under your chairmanship, Sir Roger, as we debate a petition to support patient access to Orkambi. I congratulate the hon. Member for Sutton and Cheam (Paul Scully) on making a powerful case. I also congratulate members of the Cystic Fibrosis Trust on all the work they have done to bring about this debate.

Cystic fibrosis is a hugely debilitating illness that has a massive impact on individuals' quality of life. Research shows that Orkambi can slow down the decline in lung function, which is the main cause of death for people with cystic fibrosis. About 3,300 people in the UK could benefit from the use of that medication, including 118 people in Wales. Those research figures are from 2014, and I know they have been updated somewhat.

We have heard that many of our European neighbours, including Ireland, support the use of this medication, as do other countries across the world, such as the USA. I represent Merthyr Tydfil and Rhymney—a Welsh constituency. I am speaking for 170 of my constituents, including Mr and Mrs Bow, whose seven-year-old daughter, Sofia, lives with cystic fibrosis. At that tender age, she already takes 30-plus tablets a day. Over and above the personal impact on Sofia, that medication constitutes a cost.

CF is a debilitating condition that restricts individuals' employment opportunities and their capacity to contribute to society. My hon. Friend the Member for Dudley North (Ian Austin), who has done so much to highlight the need for action, mentioned earlier in the debate that it is important for us to look at the bigger picture and the bigger cost, rather than only at the cost of the medication itself—at savings to the NHS in hospital admissions, treatment and medication, or reduction in tax revenue from restricting the opportunities for people with cystic fibrosis to contribute to society. The wider cost needs to be considered against the cost of not licensing this medication.

As a Welsh MP, I fully appreciate that a decision on the medication in Wales will depend on the view of the Welsh NHS and the All Wales Medicines Strategy Group. However, the outcome of today's debate and any agreement between NHS England and Vertex will undoubtedly

have an impact by setting the tone in the other regions and countries of the United Kingdom. In Wales, the strategy group has encouraged Vertex strongly to make a submission for appraisal. Apparently Vertex has agreed, but it has not yet agreed a date, which we hope will be soon.

As we have heard, the latest discussion between NHS England and Vertex, released on Friday, did not seem to go well, which has left cystic fibrosis sufferers throughout the UK and their families hugely despondent. Progress and answers are needed to offer comfort and support to families. It is time for the Secretary of State, or indeed the Minister, to take hold of the situation and commit to making progress. This has gone on for far too long and time is of the essence. I hope the Minister achieves progress in this long-standing situation—it has been a good three years. It seems to have stagnated, and we need more urgency.

I agree with the hon. Member for Cheltenham (Alex Chalk) on the need for pricing to be realistic, but we are talking about life-saving, life-changing drugs, and the cost of research needs to be covered. We also need to ensure that the companies are not looking to profit unduly from their medication, because far too much is at stake. I hope progress can be made and that the Minister will commit to ensuring action sooner rather than later.

6.32 pm

Mr Ivan Lewis (Bury South) (Ind): It is always good to see you in the Chair, Sir Roger.

I congratulate the hon. Member for Sutton and Cheam (Paul Scully) not only on securing this important debate but on his excellent opening contribution. I also pay tribute to my hon. Friend the Member for Dudley North (Ian Austin) for his work on this issue over a long period. Most of all, like other hon. Members, I thank the Cystic Fibrosis Trust—families up and down the country have come together in such a passionate and effective way to ensure that this House takes this life-and-death issue as seriously as it needs to be taken.

At the outset I want to acknowledge that it is entirely right that we have in place a system to determine objectively the effectiveness and relative value for money of new drugs. That is a policy area in which we should seek maximum consensus across the political divide in the national interest and in the long-term interests of patients and their carers. NICE does a difficult job in very challenging circumstances, and in no way should we or do we seek to undermine its work. However, any system of that nature can get it wrong or delay decisions when there is no time to waste, whether through pressure of work, changing evidence or, on occasion, a lack of nimbleness and flexibility. Sometimes pharma companies seek unreasonable commercial arrangements that have to be challenged—I am not saying that that is so in this case, but it is important for us to understand that that happens and that we always have a responsibility to ensure that we get fair value for money.

The present system truly has insufficient flexibility to take account of the true benefits of a portfolio approach. As other hon. Members have said—we can judge this from their contributions today—we may be politicians, but we are also citizens, whose human instincts are to speak up for people with life-threatening and life-limiting conditions. In any such debate, we should ask the

question, what support would we expect if a member of our family or close personal friend were denied life-enhancing or saving treatment? We would not want to listen to arguments for why that was simply not possible.

I first became aware of Orkambi as an issue when a young constituent and her mother came to my constituency surgery. Alex is 10 years old and suffers from cystic fibrosis. She is a remarkable girl, whose courage and positivity are truly inspirational—that would apply to many of the young people we are here to talk about today. However, this case is perhaps a graphic example of what can happen very quickly. Alex started this year with 80% lung function, a number that at the time, understandably, scared her mother, Emma, because a few months previously it was at more than 100%. Now, Emma would give anything to see the number 80 again. Alex's lung function continues to drop and is now at around the 54% to 56% mark.

Alex has physio and takes a large amount of medication just to manage the condition, including intravenous antibiotics every three months. Similar to what other hon. Members have rightly described, her daily life is inevitably dominated by her drug and physio regime. That is a quality-of-life issue on a day-to-day basis, as well as a health issue. Sadly, Alex now has irreparable lung damage. Recently, Alex's consultant advised that they are running out of options with regard to the medication, explaining that had Alex been a year older—this demonstrates how random some of the decisions can be—her parents would be able to apply for Orkambi on compassionate grounds, because her lung function had deteriorated by more than 25% in less than three months. Compassionate use in the UK is used only when a patient is extremely ill, however, and NICE is not scheduled to look at Orkambi again until July 2019. But we now know that early use enables better management of the condition and reduces further complications. Emma and Alex contacted me because they cannot afford to wait another year to get the drug on compassionate grounds.

I say to the Minister and others that we talk a lot about the centrality of prevention and early intervention but in reality, when we make decisions such as this one, we do the opposite, and when public services face the kind of financial pressures that they face these days—whether that is local government services or the NHS—they resort to fulfilling core functions, statutory functions. In the real world, it is almost nonsense to talk about a shift to prevention and early intervention. This is an example of where that is crucial, in a very direct way.

Emma is understandably frustrated. Her daughter has spent her entire life fighting to stay well, and now she has to fight for a drug that could help her to feel better. For Alex, as I said, Orkambi would mean a slowing in the decline of her lung function, giving her control of her condition and a better quality of life. As Emma, her mum, movingly said:

“Alex has a real love for life and all she wants to do is live a long and happy life without having to fight to breathe.”

I would say this about disabled children and their families more generally. I coined a phrase: why do we have to constantly fight the system when we should have a right to have a system that is on our side. I have been involved in working with disabled people for about 35 or 40 years, and I am sad to say that that is the reality for most families with disabled children today. It has

been the reality under successive Governments, although we tried to improve investment. We certainly made progress on stigma and in recognising that disabled children should have the right to fulfil their potential and to be treated like any other child, for example, but the constant battle every single day—when, frankly, people have enough to cope with, whether as a child or as a family—is something we should all reflect on.

Along with other hon. Members, I strongly support the call for NHS England to engage in a meaningful dialogue with the drug company and to reach a fair settlement. Having sat in the Minister's place, I can predict that officials will say, and this is not a criticism of the officials, that we should stay out of this; that it is not a matter for Ministers; that there should not be political interference; that we have a robust system that exists and is in place; and that we should let that system run its course. Ministers may end up allowing human emotion or politics and pressure from hon. Members to influence them to make decisions that are not always consistent with what the Department wants them to make. I say to the Minister that that is nonsense. Ministers have a duty to intervene in circumstances such as this, to be a facilitator and a convener, and to bring those parties round the table and say that it is not acceptable for this situation to remain unresolved for much longer.

My hon. Friend the Member for Bury North (James Frith) said that we do not want to be back here in six months' time, having a debate such as this one in exactly the same circumstances. Many countries around the world have reached a different conclusion and have made a different decision. Obviously, they believe that this drug makes a massive difference from a health and quality of life point of view, and that it is economically effective. I ask the Minister to please use his convening powers, his accountability to Parliament, and the desires and the will of parliamentarians as expressed today, to apply immediate pressure to the relevant parties.

6.41 pm

David Linden (Glasgow East) (SNP): It is a pleasure to serve under your chairmanship, Sir Roger. I start by thanking the 484 constituents in Glasgow East who signed the petition. The hon. Member for Sutton and Cheam (Paul Scully) made an excellent speech and was very courteous in trying to keep his speaking time down to let other Members speak. It is a pleasure to see my hon. Friend the Member for Motherwell and Wishaw (Marion Fellows) back in Parliament and on the Front Bench.

As a new Member of Parliament, the first time that a constituent came to me to raise cystic fibrosis, I am quite ashamed to say that I did not know a lot about it. I was very grateful to Karen Ashe, a constituent from Mount Vernon, who explained to me the difficulties that her daughter, who is just 14 years old, experiences, being admitted to hospital every eight weeks, and the real challenge that that brings. She impressed upon me the importance of why we need Orkambi now.

Even since the debate started, another constituent, Naomi Moore, has tweeted at me—that shows the good thing about us engaging digitally—because I said that I was taking part in the debate. She said:

“With access to amazing drugs like Orkambi/Kalydeco, I'll be able to use my degree when I graduate. Without it, my future is uncertain and limited.”

[David Linden]

She is a girl in Glasgow who is in her fourth year at university, studying geology. That is a very powerful point. The turnout of Members at the beginning of the debate—I must say I am quite disappointed that so many have disappeared—impresses upon us the importance of getting this right.

Alison Thewliss (Glasgow Central) (SNP): My hon. Friend makes the point about young people and their future, which is a big part of the debate. Robert Kennedy and Ashley Wilson from Dalmarnock came to speak to me about their three-year-old daughter, Mirren. She goes for physio twice a day for her cystic fibrosis, but they fear that as she gets older, she may face weeks in hospital at a time. Does he agree that Orkambi ought to be there for them, so that they can access that treatment as their daughter gets older?

David Linden: Absolutely; I know that my hon. Friend is a passionate champion of her constituents in Glasgow Central and she is right to put that on the record.

Numerous other constituents have come to me, including Lee Bennie from Garrowhill. Again, she made the case that we need Orkambi now. Over the course of the weekend, I had the privilege of spending some time talking to a friend's brother, Ross Moore. He is not a constituent of mine, but he has access to Orkambi through the compassionate access scheme. Ross is a remarkable young man who is incredibly articulate. I was quite struck by how frank he is; he has lived with cystic fibrosis for so long and I was very moved by the way in which he could explain why he has access to Orkambi and why he thinks that other people should have access to it.

Ross was moved on to Orkambi only in October last year because his lung function had dropped below 45%. He was quite honest in saying that the first six to 10 weeks were very tough; for some people that can be make or break, but he has got through that. My hon. Friend the Member for Glasgow Central (Alison Thewliss) has mentioned people's ability to try to put that effort into physio, and Ross said that it is a very arduous process. He does physio for two to three hours a day. When speaking to him, I was struck that he already has access to Orkambi, and he does not want to pull up the ladder behind him. He said to me before I came into this Chamber, "Go in there and explain the benefit of Orkambi; we need to make sure that people understand that for those who do not have access to it already we have got to have that access, because it is only through that research and that ability to use it that they will have it."

Bob Stewart: Does that mean that the hon. Gentleman's constituent will have Orkambi for life, or will it be taken off him later?

David Linden: While I was having that conversation with Ross, that was at the back of my mind. I am very glad that he answered before I managed to ask it, because it is very difficult to ask somebody, "Will you have access to this for the rest of your life?" Thankfully, in Ross's case, he will.

My hon. Friend the Member for North Ayrshire and Arran (Patricia Gibson) outlined very eloquently the situation in Scotland; for the purposes of time I do not

want do that. I had a phone call when I left Glasgow airport this afternoon from my constituent, Helen Seery, who lives in Carmyle. Her son, Layton, was born just 22 months ago and has cystic fibrosis. The 20-week scan showed that he would have cystic fibrosis; he was born prematurely at just 28 weeks. His lungs are naturally weaker as a result of being a premature baby. My constituent Helen made the point about what a difference it makes in Ireland, where people have access to Orkambi at five and six years old. I will visit Layton in Carmyle next week. I am aware that it is a challenge for Helen to bring somebody into the house due to the risk to Layton.

It is important that we stand up and make speeches and that we will send the *Hansard* to the constituent afterwards, but the most important thing for me is going back to Helen and telling her and Layton that I stood up and said that I think that Orkambi should be available in Carmyle, as well as Carlisle. That is the message that we have to leave with the Minister. Constituents are absolutely clear that we need Orkambi now.

6.47 pm

Rachael Maskell (York Central) (Lab/Co-op): I want to start by thanking the 75 constituents of mine who signed the petition, not least the inspiring parents and patients who have really brought this debate to the fore. I want to mention Dr Aaron Brown, who is based in York and is living proof of what it is to live with cystic fibrosis. He was the first person with cystic fibrosis to graduate to the Royal College of Surgeons and is a GP in York. However, for him, living with cystic fibrosis asks many questions, not least as he has a young son and a child on the way. He says,

"Having CF has given me something to battle against all of my life, to prove that it won't get me and I can achieve."

We know that this debate is not just about the impact of cystic fibrosis but the hope that a drug such as Orkambi can bring. Although the drug may not be a panacea to all things, it certainly does slow down the disease process, including scarring of the lungs and deterioration of the lung tissue. It is also paving the way for a new generation of precision medicines. It is so important that we are at the leading edge of that research to give people real hope for the future, not just the 50% of people who will benefit from precision medicines should Orkambi be approved, as it must be, but for the next generation.

In the next five years there is potential for 13 new drugs and in seven years, 18 new drugs, impacting on 90% of the cystic fibrosis population. What an amazing opportunity that presents us. That is why we are resolute to make sure that the Minister moves on the issue.

We have heard a lot about cost, but I want to put a cost in everybody's mind. We are talking about £285 a day. Let us think about the cumulative impact and cost of hospitalisation, perhaps of transplants, drugs and economic loss. We are talking about just £285 a day, a figure that Ministers of State will be familiar with because it matches how much they earn. We can recognise that this is a cost that the NHS can and must afford. Even if there are final negotiations to be had about a portfolio of medication, which is important, to ensure that we usher in this new generation of drugs, what is the cost of a life? I leave that question in the air. I am sure we would all argue that it is a lot more than £285 a day. If we are determined to save lives, that is affordable.

I worked as a physio in respiratory medicine for 20 years, so I have first-hand experience of making this journey with so many patients. The physio may not be pummelling, but it is certainly intense. I celebrate the way that physio has developed over that time. It has become much more dynamic, rather than passive, and a number of techniques have been developed. We heard about active exercise—that is so important for building lung capacity—positive pressure techniques and postural drainage to ensure that we minimise stress on the lungs as we clear secretions. Just think what a life-changing opportunity those advances in physiotherapy, as well as a good diet and precision medicine, present for people with cystic fibrosis compared with their opportunities just a few years ago.

We have a real opportunity to change people's life chances, but systems have got in the way, and that is what we plead with the Minister to change. The European Medicines Agency approved these drugs two years ago. It is therefore incumbent on us to stress to the Minister that we need effective movement, quickly. NICE itself recognises the benefits of the drugs: in July 2016, it called them important and effective treatment. So much time has been lost through so-called negotiations.

The Minister cannot hide behind NHS England or other bodies. It is time for leadership. It is time for him to step up, step into the debate and ensure that access to the drugs is delivered. I plead with him to call Vertex, to ensure that discussions are held with NICE and NHS England before Easter and to get the table set for finalising the negotiations. If a portfolio of drugs can be achieved in Northern Ireland and the Netherlands, it can be achieved here. Even if there has to be an interim agreement to ensure that people with cystic fibrosis have immediate hope, it is his responsibility to deliver that. With each day that passes, people's future lung capacity, and therefore their lives, are seriously impacted.

Of course, some people already have access to these precision drugs, and the outcomes for people who benefit from access to Orkambi are really positive. It really is unethical and both economically and clinically illiterate to make Orkambi available to people who are seriously deteriorating but not to people who could stop their lungs being damaged in the first place if they had access to it in advance.

I am grateful to the many constituents who contacted me, but I want to relay the words of Abigail, who wrote very passionately. She has children aged four and seven, both of whom have been diagnosed with cystic fibrosis, and she expressed the real hope that these drugs would bring:

"Those drugs...are here now, which makes it even more heartbreaking that Orkambi, which could benefit 50% of people with CF, is not available on the NHS. To know that there is a drug out there that could change my children's lives and allow them to live longer and in better health, but which they have been denied access to is absolutely devastating...simply because of cost reasons...It is absolutely imperative that some kind of agreement is reached that makes these drugs available to everyone with CF who could benefit from them. Living with CF is already difficult enough, please don't make it any harder."

6.54 pm

Vicky Foxcroft (Lewisham, Deptford) (Lab): It is a pleasure to serve under your chairmanship, Sir Roger.

Like many other right hon. and hon. Members, I was inspired to take part in the debate by two constituents. The first told me about his younger sister, who has

cystic fibrosis. She has always been very healthy, but she is now in her 30s and reaching the point at which she will need to use additional medications. As he was emailing me, his sister was on her way to hospital to undergo an operation to put a port in her chest so that she could receive intravenous antibiotics. He ended his email by saying:

"I understand that the NHS is under pressure, but this illness is one of the beatable ones".

The second message I received was from the parents of a 10-year-old girl named Ruby, whom I met soon after I was first elected as an MP when she came here to see me as part of the environmental change lobby. Ruby is a bright and optimistic girl who loves science and maths, swimming in the sea and making emojis to send to her friends. However, unlike her contemporaries, she has to take more than 30 tablets a day to help manage her condition. She also has to nebulise further drugs and have physiotherapy every morning and evening. Her condition brings with it regular visits to hospital for scans and tests.

Although Ruby copes brilliantly with her condition, her parents know that with each passing year, the likelihood of her health declining increases significantly. As well as the obvious effects cystic fibrosis will have on her lungs, it carries a vastly increased risk of diabetes, liver disease and chronic digestive problems. As children with cystic fibrosis grow older and begin to realise the condition's potential impact on their future, it takes a major toll on their mental health. Ruby's parents worry about that continually. Knowing that they might live only to their mid-30s is an incredibly heavy burden for a young person to carry. It is not difficult to see that being able to access Orkambi would have a profound effect on children such as Ruby by slowing the progression of that cruel disease, if not stopping it completely.

I will leave hon. Members with a few words Ruby's father wrote to me that perfectly sum up the impact that access to Orkambi would have on families such as his:

"Whilst it is Ruby who carries by far the most weight of her cystic fibrosis, a drug like Orkambi has the potential to free all of us in her family – and the families of so many other children with cystic fibrosis – from the sometimes overwhelming worries about the future – knowing that next week, next month, next year, a new infection or new problem could arise and the downward spiral that has taken the lives of so many with cystic fibrosis could begin.

We know society has to balance the cost of treatments for all with the needs of individuals. We know society has difficult choices to make. But we believe there is a resolution that can do just that, by bringing together the brilliance of science and a health system that is, and always should be, free for all. Enabling access to treatments like Orkambi would literally change our daughter's life for good."

6.58 pm

Marion Fellows (Motherwell and Wishaw) (SNP): It is a pleasure to serve under your chairmanship, Sir Roger.

Where do I start to sum up this debate? It has been a truly awesome experience, and I congratulate and thank all the Members who took the time to attend. I have rewritten my speech all the way through the debate, which I will try to summarise as best I can.

The petition was signed by 371 of my constituents. As has been said, the general public care about this. I thank the Butterfly Trust, which is the CF charity in Scotland, the Cystic Fibrosis Trust and the CF support

[*Marion Fellows*]

group for parents in Scotland for all the assistance they gave me to prepare for the debate. We heard many passionate and informed speeches. There is true cross-party agreement. We heard how CF sufferers could benefit from Orkambi and how it could transform their lives.

I must declare a personal interest. My 16-month-old granddaughter Saoirse was diagnosed with cystic fibrosis shortly after she was born. On hearing about the debate, my daughter-in-law enlisted all of her friends and family to sign the petition, even though she knows that Orkambi will not help her daughter. Vertex is developing new treatments all the time, and the use of Orkambi can only help that research.

Saoirse is lucky—she is pancreatic sufficient, which means she can digest food—but she is on daily antibiotics and additional treatments. As a grandmother, watching her going through physiotherapy is heartbreaking. Her parents were told that they must not comfort her as she needs to get used to it, because she will need physio for all of her life. She cried, and I cried. Her grandfather, who is here today, cried, too. However, she is getting used to it. CF sufferers and their families are amazing people—I discount myself from that. They care about each other. The proof of that is here today, in more than 100,000 signatures and so many Members taking part in the debate.

I pay special regard to the hon. Member for Dudley North (Ian Austin). I apologise that I could not attend his roundtable—I have serious family illness at the moment. The fact that so many Members attended shows how important this is to both Members and their constituents. We do things not just because we want to, but to help our constituents. He talked a lot about the cost of Orkambi and how we should look better at cost-benefit analysis. We should also look at the contribution that CF sufferers could make, were they able to. We must all deeply reflect on that. As he said, when an everyday drug is denied to CF sufferers, that is another day when their lung power is damaged. We cannot allow that to continue.

As one of my colleagues stated, the Scottish Government are working hard to improve access to drugs such as Orkambi through changes to the individual patient treatment request to ensure that patients in Scotland get access to the right treatment at the right time. Orkambi could be accessed through that, but the Scottish Government's role is to try to ensure that everyone in Scotland gets equal treatment, which is important all over the UK. There should be no postcode lottery for treatment.

Mr Sweeney: Does the hon. Lady agree that the Scottish Government and the UK Government should consider an interim acceptance period for drugs under active price negotiation when organisations such as the Scottish Medicine Consortium have agreed that there is a clinical benefit? That would be a good way to ensure that people get immediate access. Two years is two years too late for many people.

Marion Fellows: I agree with the hon. Gentleman. We are talking about people whose lives are shortened and people whose lives are deeply affected. These people could be of such benefit to society as a whole. It is difficult for me to think beyond my granddaughter, and

it is also difficult to listen to stories of what might happen. I know she is lucky, but I also know and am passionately concerned about other children who are even more affected by CF than she is. We owe it to them and to people who will inherit CF in future.

I have to be a carrier of the CF gene, and my husband must also be a carrier. We were so lucky that none of our children were affected. It is a terrible, silent disease. The fact that CF sufferers cannot even get together for comfort and mutual support—it all has to be done through parents' groups—is even more heartbreaking.

Bob Stewart: I am deeply affected by listening to the story of the hon. Lady's granddaughter. When did the hon. Lady and her husband know that they were carriers? That is pretty important.

Marion Fellows: I probably am a carrier—unfortunately, for another reason, we have not been tested yet. That is another issue that we will deal with. It would help future research. Actually, after my daughter was tested, she said to me, “Mum, you and dad must go out and buy a lottery ticket—you must be the luckiest people around,” because I have three children and none of us has CF.

The Scottish Government are encouraging patient representatives to participate in Scottish Medicine Consortium meetings. That must be a good driver to let clinicians and other medical people see with their own eyes the difficulties undergone by people who cannot access these drugs.

Sir Roger, you have been most considerate, and I will now sum up. There is an overarching need for a change in the way in which new drugs are approved for use. Cost-benefit analysis needs to be used to calculate the true costs. For example, we should look at reductions in hospital care costs and include the benefits to the economy from the use of these drugs—especially Orkambi, which is our exemplar for now. Of course, CF sufferers must be able to play a full part in society and, as we have heard, they could do so if they could access drugs.

Orkambi could be just the start of a whole line of drugs that will benefit CF sufferers. No one can cure the disease at the moment, but such drugs will lead to so many more better and productive lives. Yes, there are issues around pricing new drugs. Pharmaceutical companies are not there for charitable purposes, and we all know and understand how expensive it is to create new drugs, but there must be a better way of pricing the cost of new drugs at their introduction across years of their use rather than huge up-front costs.

I was asked by the Scotland parents support group to demand that the Minister takes responsibility for the negotiations with Vertex, and that he brings NHS England and Vertex Pharmaceuticals to the table. Deals and negotiations should never be conducted by email. I am happy to do so, and I wait with interest for his response.

7.7 pm

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): It is a pleasure to serve under your chairmanship, Sir Roger. I thank the hon. Member for Sutton and Cheam (Paul Scully) for his excellent opening speech, and I thank the 114,000 people who signed the online petition to enable us to debate it. As we have

heard, the petition received more than 107,000 signatures in just 11 days—probably a record for such a petition—which shows how important Orkambi is to people with cystic fibrosis and their families.

I also thank my hon. Friend the Member for Dudley North (Ian Austin) for his sterling campaigning on this issue over a number of years, for his passionate speech and for organising the excellent roundtable in Parliament. I was unable to attend the roundtable, but a member of my staff took extensive notes and briefed me fully. I also thank all hon. Members who spoke in the debate. I was going to list them all, but so far there have been 23, and with me and the Minister that will make 25, so I will save everyone from the roll-call. Indeed, at the start of the debate it was standing room only, which shows the strength of feeling on this issue across the House. We have heard very moving accounts about family members and constituents, and that alone should be more than enough to make the case for Orkambi to be made available on the NHS as soon as possible. Finally, I thank the Cystic Fibrosis Trust for its continued “Stopping the Clock” campaign and for all the work that it does to support people with cystic fibrosis.

As we have heard, cystic fibrosis affects about 10,400 children and adults in the UK today. It affects one in 2,500 people, and one in 25 of us carries the gene that causes it. It is a life-shortening genetic condition, with the median survival for an individual with cystic fibrosis currently at just 47 years. Patients with cystic fibrosis therefore have to spend three to five hours every day on aggressive and indiscrete physiotherapy, and need nebulised treatments and strong antibiotics just to keep well. The medicines tackle the symptoms of cystic fibrosis rather than the root cause. That is why new precision medicines such as Orkambi will change cystic fibrosis care for the better.

Kalydeco is the first precision medicine used in this country for people with cystic fibrosis. It has transformed the lives of those receiving it. Patients report no longer needing a tank of oxygen to support their breathing, and greater health stability, so that they can plan their lives more securely. Some are taken off the transplant waiting list, as their clinical status improves dramatically. However, it works for only one in 20 people with cystic fibrosis. In comparison, Orkambi works for eight in 20 people. About 50% of individuals with cystic fibrosis in the UK have the genetic mutation that Orkambi tackles, so the approval of Orkambi for use on the NHS could benefit about 5,200 people living with cystic fibrosis.

Orkambi has been shown to slow decline in lung function by 42% and cut the number of infections requiring hospitalisation by 61%. It gives patients not only more control over their lives but a greater quality of life. Orkambi is available for patients in nine other countries: Austria, Denmark, France, Germany, Luxembourg, the Netherlands, Italy, Greece and the United States. Yet here in the UK, NICE has deemed it to be cost-ineffective, and at least two and a half years after being approved for use it is still not available for cystic fibrosis patients on the NHS. I welcome reports that, after over a year of waiting, dialogue between the drug company Vertex, NHS England and NICE has reopened, and that last month Vertex announced it had proposed a new portfolio approach to the Government on the funding of Orkambi.

I would be grateful if the Minister would elaborate on that in his response and tell us whether the Government are considering the offer seriously. I understand that some hon. Members may have had an update email from Vertex this morning, although I did not; there may be news on that front. I would also appreciate it if the Minister would acknowledge that, given the example of Orkambi, more needs to be done to change how drugs for rare long-term conditions are assessed by NICE. The longer patients go without those precision drugs, the longer they go on suffering irreversible lung damage. That is why we need urgent change.

Mr Sweeney: Many hon. Members have referred to the Scottish Medicines Consortium. Of course, healthcare in Scotland is a devolved issue but the issues are the same: there is still a two-year wait to get the matter through. Does my hon. Friend agree that there is a need for a closer working relationship between NICE and the SMC? Perhaps sometimes, with collective bargaining, a deal on price could be reached sooner.

Mrs Hodgson: Absolutely, I agree. I do a lot of work, as the Minister does and has done in the past, on access to cancer drugs. The same can be said in that context—that it is a postcode lottery not just within nations but between the nations, and that it need not be. The issue could be explored further.

NICE considers all the different benefits that a treatment could give, including living longer, but also having a better quality of life. That is hard to establish for some rare long-term conditions such as cystic fibrosis, making it hard for drugs to meet NICE’S requirements. There is a need for high-quality data on treatments, so that an accurate quality-adjusted life year model can be created. However, that is very difficult to achieve in short trials, particularly for rare long-term diseases such as cystic fibrosis, where “powering” a trial with enough patients is very difficult. People with long-term conditions often score their quality of life more highly than people who have developed acute conditions after being well, often because of differences of perception. If, during trials, people score their quality of life as high prior to treatment, subsequent quality-adjusted life year gains are lower.

The cost of developing a treatment for a rare disease is also high. Understanding the condition, developing an effective treatment and running the required trials in a small population is expensive. Treatments often have no competitors, so there is dampening of market forces, with negative consequences for the consumer or payer. NICE found that Orkambi was important and effective, but that the cost was too high. Vertex must therefore work as a matter of urgency to bring down the cost of Orkambi, so that thousands of cystic fibrosis patients can benefit from the drug on the NHS. The Opposition are committed to ensuring that all NHS patients get fast access to the most effective new drugs and treatments.

In response to the online petition, the Government responded:

“We want patients to benefit from clinically and cost effective treatments.”

What steps are they taking to bring that about? NICE’S guidance on Orkambi is scheduled to be reviewed in July 2019. Will the Government work with Vertex, NICE and NHS England to ensure that the review is brought forward so that thousands of patients can

[Mrs Hodgson]

benefit much sooner from the drug on the NHS? It is clear from today's debate that we need more and better treatments for cystic fibrosis in the UK. Last year, half of all people who died with cystic fibrosis were under the age of 31. It is unacceptable that while pharmaceutical companies, NHS England and NICE barter, people's lives are at stake. The Government must therefore take responsibility for negotiating an agreement as soon as possible. I hope that the Minister will take on what he has heard today. I hope he will acknowledge how important it is to find a solution that guarantees that the current situation affecting the pipeline of treatments for cystic fibrosis will never happen again, and that thousands of patients will get access to the most effective drugs and treatments as soon as possible.

7.17 pm

The Parliamentary Under-Secretary of State for Health (Steve Brine): It is a pleasure to serve under your chairmanship, and that of Mr Evans, Sir Roger. May I be the final speaker to thank my hon. Friend the Member for Sutton and Cheam (Paul Scully), who has done his job as a member of the Petitions Committee in introducing the debate on the petition today. As the hon. Member for Washington and Sunderland West (Mrs Hodgson) said, the number of Back-Bench MPs who have spoken is 22. My Parliamentary Private Secretary reckons that we have had 60 Members through the Chamber in the past three hours. Of course that is only just over 9% of MPs, but, as we all know, having been to many Westminster Hall debates between us, that is a lot of MPs in one debate. That did not even include the hon. Member for Strangford (Jim Shannon)—I am worried for him. As we know, so many MPs attending the debate suggests a great deal of interest in the subject, and the way everyone spoke was excellent. Perhaps I may mention that the speech of the hon. Member for Motherwell and Wishaw (Marion Fellows) cannot have been an easy one to make, and she delivered it with grace.

With more than 115,000 signatures—my goodness—the petition shows what huge public support there is for tackling this terrible disease. The passionate way in which hon. Members across the board have spoken on behalf of their constituents is testament to that support. I want to make a special mention of the “Bury brothers”, who represent the 202 people in the Bury constituencies who signed the petition: the hon. Members for Bury North (James Frith) and for Bury South (Mr Lewis) both spoke well and in a sensible and balanced way. I can only assume that the hon. Member for Bury South, from what he said, must be a former Health Minister. Am I right?

Mr Lewis indicated assent.

Steve Brine: I thank 163 of my own constituents who signed the petition and who have been in touch with me, and one who has been to my constituency surgery. I may be the Health Minister responding to the debate, but I am also a constituency MP and a parent of two young children.

I pay tribute to the Cystic Fibrosis Trust, which does a tremendous job on behalf of all our constituents. I know we are not meant to address the Gallery. I will not do so, but if I did I would thank those who have made

the trip in the snow and ice, probably not all from SW1, to come to Westminster today. It is a credit to them that they have made time to do that.

I recognise the progress that Vertex has made to date in its mission—I believe it is a mission—to discover ultimately a cure for cystic fibrosis, and recognise the treatments that it brings to the market. I know Vertex understands the importance of the UK market, and NHS England as a customer, to its future and to that mission.

This petition is calling on the British Government—that would be me—

“to call for a resolution to ongoing negotiations between Vertex Pharmaceuticals, NHS England and NICE as a matter of the utmost urgency. It is essential that a fair and sustainable agreement is found.”

I am here today to do exactly that. It is not a difficult call to agree to. The negotiations must remain constructive and be undertaken with the utmost urgency, for all the reasons we have heard—I will not repeat them all—or, as my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) said, people living with cystic fibrosis will suffer.

It seems to me that the main ask I have heard from pretty much every hon. Member speaking today is, “Get involved.” I am not the Minister directly responsible. That falls to Lord O'Shaughnessy, the Parliamentary Under-Secretary who sits in the other place, but I can say on his behalf and on mine that we are involved, and you can bet your life that we will continue to be involved. I do not think I can be clearer.

James Frith: The Minister says, “You can bet your life” that he will continue to be involved. Any further delay is literally betting lives and the ever-diminishing lung capacity of those who go without Orkambi. What will he commit to do differently from today, and when will Orkambi be prescribed by the NHS?

Steve Brine: The hon. Gentleman knows that I cannot give the answer to his when question. I will come to the other bits of his question. His point about the reducing lung function is well made, and has been made by almost everybody. The Government wholeheartedly support efforts to ensure that the precision medicines we have heard about are made widely available to CF patients and other patients. It is true that high-cost precision medicines represent a challenge to the NHS, but they are also a tremendous opportunity to deliver high-quality outcomes through highly specialised treatment. I hope I can go some way to ensuring that people with comparatively rarer conditions such as CF get the same quality, safety and efficacy in medicines as those who have more common conditions, and to doing so in a way that is sustainable for the NHS.

There has been much talk about NICE, which has a difficult job, as the hon. Member for Bury South rightly said, but as we know, England has the second-highest number of cystic fibrosis patients in the world and there is sadly no cure. Current treatments generally target the complications rather than the cause of the disease. Of course, I can appreciate the huge daily burden of treatment for patients and their families, and the uncertainty that they live with. Uncertainty is a huge burden—the hon. Member for Dudley North (Ian Austin) mentioned the mental health burden. It is so important that patient voices are heard during any appraisal process to ensure that that burden is fully understood.

NICE's technology appraisal programme makes recommendations for the NHS on whether drugs represent an effective use of NHS resources in what we must remember is a publicly funded health system, as many hon. Members have said. There are other parts of the world where, if someone could not afford it or their insurer could not afford it, this would not even be a discussion. That system means that patients can have the confidence that the price paid by the NHS is consistent with the improvement in health outcomes a medicine brings, ensuring fairness as well as the best possible use of funding for patients and the NHS.

Those are very difficult decisions to make, but it is essential that patients are getting the maximum benefit from every pound of our constituents' money that is spent by the NHS. NICE takes its decision independently of Ministers. The Government rightly have no say in whether a new medicine is recommended for the NHS at the price proposed by the manufacturer. NICE published its final guidance on the use of Orkambi in July 2016 and, as we have heard, did not recommend it for use in treating cystic fibrosis. That, of course, is not the end of the story, and I do not want it to be. I will return to that in a moment—although, ironically in a three-hour debate, time is short for me to give our position.

Since 2013, NHS England has been responsible for securing high-quality outcomes for patients with cystic fibrosis. Six years ago, it agreed to fund Ivacaftor and Kalydeco for cystic fibrosis patients with the relevant genetic mutation. An additional possibility that may further the pool of treatment options for CF in the near future is the double combination therapy branded Symdeko, which has shown positive results and is currently undergoing European Medicines Agency licensing.

More broadly, the number of medicines for cystic fibrosis patients expected within the next three years is promising, with products being developed by a range of manufacturers as well as Vertex. NICE is aware of 31 other technologies by 19 different companies—not Vertex—that are in the pipeline for cystic fibrosis. Clearly, the prices for any new treatment will also be considered by NICE and we must ensure that the arrangements NHS England enters into now do not restrict options for patients to have the best available medicine in the future. The hon. Member for Bury North made that point very competently.

The NHS is in discussions with Vertex about Orkambi. Vertex has approached NHS England with a proposed deal to reduce its prices. While I cannot share the details of this proposal due to their commercially confidential nature—believe you me, I wish I could—I can assure hon. Members that, at the level that Vertex has proposed, the products are still far from cost-effective. Therefore, there is more talking to do.

Last week NHS England made a counter-proposal, which would ensure that the drugs could be used at a price that is cost-effective. I understand that NHS England has agreed to meet with Vertex—I would jolly well hope so, and of course it is not over email—to discuss that counter-proposal further. I have seen the statements made this weekend—I must say I am no fan of Twitter diplomacy in this or any other form of diplomacy. The statements this weekend were not exactly encouraging, but they must not be the end of the story.

While it is not for Ministers to approve, I truly believe this can be a mutually satisfactory arrangement for both parties. I know I speak for my colleague, Lord O'Shaughnessy, when I say that we are both impatient for a breakthrough and are watching the matter like hawks. I get the message loud and clear: the House has said, "Get involved." The House has that assurance from me.

I thank all hon. Members who have spoken so passionately. They have helped the cause on behalf of their constituents. On Orkambi in particular, I hope above all that hon. Members can see that this is a live issue and that it is work in progress.

7.28 pm

Paul Scully: I thank the Minister for listening to us today. I congratulate not only all hon. Members who have spoken today, but Gemma and Michelle, who started this petition, and the people I met at the Cystic Fibrosis Trust.

We have talked a lot about suffering over the last three hours, because of the obvious necessity, but there are a lot of young people with cystic fibrosis who are watching this, and I want to end on a positive note. I started by talking about the video I watched. When we talked about running, I remember Grace Miller's parents looked at a bag of trophies that she had won running. She was sad, because she missed the ability to run because of her lung capacity.

I would say: "Don't be sad. Don't look back at what you have done. Look into the future at what you are doing. Enjoy every day, because it is your stories that you are telling us today, and the constituents we have heard from today, that have got us to the point where we can hopefully get the Minister, the Government, NHS England and Vertex around the table and have a bright future for our constituents who are suffering from cystic fibrosis, with that progressive medicine."

Question put and agreed to.

Resolved,

That this House has considered e-petition 209455 relating to access to the drug Orkambi for people with Cystic Fibrosis.

7.30 pm

Sitting adjourned.

Written Statements

Monday 19 March 2018

TREASURY

ECOFIN

The Chief Secretary to the Treasury (Elizabeth Truss):

A meeting of the Economic and Financial Affairs Council (ECOFIN) was held in Brussels on 13 March 2018. The UK was represented by Mark Bowman (Director General, International Finance, HM Treasury). Council discussed the following:

Early morning session

The Eurogroup President briefed Ministers on the outcomes of the 12 March meeting of the Eurogroup, and the Commission provided an update on the current economic situation in the EU. Council also discussed progress on the banking package, aimed at reducing risk in the banking industry, agreeing to defer agreement on a general approach until a later date.

Mandatory disclosure rules

The Council reached political agreement on the Council directive regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

Current financial services legislative proposals

The Bulgarian presidency provided an update on current legislative proposals in the field of financial services. The Commission presented a package of proposals relating to the EU's Capital Markets Union.

European semester 2018

The Council exchanged views on the implementation of country-specific recommendations with a focus on productivity growth. Ireland and the Netherlands provided presentations on their experience of reforms to improve productivity growth. The Council also adopted the conclusions on the European Court of Auditors special report on the macroeconomic imbalance procedure (MIP).

G20 Meeting

The Council approved the EU Terms of reference for the G20 meeting on 19-20 March in Buenos Aires.

Status of the implementation of Financial Services Legislation

The Commission informed the Council on the status of the implementation of financial services legislation.

[HCWS559]

EXITING THE EUROPEAN UNION

General Affairs Council

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Steve Baker): Lord Callanan, Minister of State for Exiting the European Union, has made the following statement:

I will attend the General Affairs Council in Brussels on 20 March 2018 to represent the UK. Until we leave the European Union, we remain committed to fulfilling our rights and obligations as a full member.

The provisional agenda includes:

Preparation of the European Council on 22-23 March 2018

Ministers will discuss the draft conclusions for the March European Council. The conclusions cover jobs, growth and competitiveness, which include the single market, trade, the European semester and social issues. The EU-Western Balkans summit in Sofia on 17 May 2018 is also covered in the conclusions.

European Council follow-up

The Bulgarian presidency will update Ministers on progress in implementing December European Council conclusions which covered security and defence, social issues, education and culture, climate change, and Jerusalem.

2018 European semester

The Commission will present a report on priorities for the 2018 European semester. This is expected to cover the implementation of reforms undertaken by member states in response to their country-specific recommendations last year.

[HCWS558]

HOME DEPARTMENT

Croatia

The Minister for Immigration (Caroline Nokes): We will today inform the European Commission and the Croatian Government of our decision not to extend further the transitional restrictions on Croatian citizens' access to the UK labour market when they expire on 30 June 2018. This is in line with the provisions of the accession treaty for Croatia, under which temporary restrictions have been in force since Croatia joined the European Union on 1 July 2013. There are only three remaining member states (Austria, Slovenia and the Netherlands) who also currently impose transitional restrictions on Croatians, and will need to consider the case for extending these before July.

Since 2013 when Croatia joined the EU, their citizens, unless exempt, require authorisation from the Home Office before they can take up a post in the UK. After 12 months' employment, Croatians are free to work in the UK without restriction.

It was always the case that these restrictions were temporary and it would only be legal to extend them further if there was an economic case that to do otherwise would cause or threaten serious labour market disturbance. We have examined the evidence carefully and no such case can be made.

The UK labour market is very strong with near record levels of unemployment and employment. There is a low volume of flows from Croatia to the UK, and a low number of resident Croatians in the UK. Long-term international migration flows suggest an estimated total as low as 4,000 long-term immigrants from Malta, Cyprus and Croatia arrived in the UK in the year to June (ONS, 2017). Estimates of the total number of Croatians resident in the UK in 2016 are below 10,000 (ONS, 2016). The cultural/social network 'pull' factor is limited, particularly given the much larger Croatian diaspora size in other EU member states (e.g. Germany).

This is in contrast to our consideration of extending controls for the EU2 (Romania and Bulgaria) when our economy was still fragile after the recession. Figures at the same point of those transitional controls showed there were around 57,000 Romanians and 35,000 Bulgarians living in the UK.

Our conclusion is that there is insufficient evidence to satisfy the test of ‘serious labour market disturbance’ that is required to extend the restrictions.

The decision not to extend the restrictions will mean that Croatian citizens will be able to seek and obtain employment in the UK on the same basis as currently enjoyed by all other EU citizens.

We will not discriminate between nationals of the EU member states in our implementation of the citizens’ rights deal. Croatian citizens will be able to apply for settled status on the same terms as all other EU citizens.

We have been clear that we will take back control of immigration and our borders when we leave the EU, and we will put in place an immigration system which works in the best interests of the whole of the UK.

[HCWS560]

WORK AND PENSIONS

Private Pensions

The Secretary of State for Work and Pensions (Ms Esther McVey): Today the Government are publishing a White Paper “Protecting Defined Benefit Pension Schemes” which sets out our proposals to improve confidence in defined benefit pensions. It builds on last year’s Green Paper, “Security and Sustainability in Defined Benefit Pension Schemes”.

As we said when we published the Green Paper, defined benefit schemes are an important pillar of the UK economy. Around £1.5 trillion is invested by about 5,500 schemes. More importantly, these pensions are a key part of many people’s retirement income. There are 10.5 million members in the UK with a defined benefit pension: it is crucially important that the system delivers the retirement income they have saved for over many years of hard work.

We know that the vast majority of employers with these schemes want to do the right thing by their employees. Our 2017 Green Paper examined the evidence around defined benefit scheme affordability, and concluded that the majority of employers can and do fund their schemes appropriately. The responses to the Green Paper supported this. However, to help trustees and employers work even more effectively towards a long-term goal, we are introducing changes to scheme funding. Where employers want the best for their employees, we want to ensure that the system supports this.

However, it is clear that not all employers want to act fairly. At the heart of the White Paper is a strong message for employers tempted to act in a way that is detrimental to their pension scheme. We will not tolerate such behaviour, and will come down heavily on attempts by employers to avoid their responsibilities. We are supporting the Pensions Regulator to be a clearer, quicker and tougher organisation by giving it new and improved powers to gather information and require employer co-operation. Where there is evidence of unscrupulous behaviour, we are introducing measures including a punitive fines regime and, in the most serious cases, a new criminal offence for those who deliberately and recklessly put their pension scheme at risk.

Finally, we are consulting on the legislative framework and accreditation regime for consolidation, providing industry with the opportunity to innovate while ensuring there are robust safeguards in place to protect members’ benefits. This will be the first step in enabling schemes greater opportunities to realise the benefits of scale achieved through consolidation, and will benefit both members and employers.

The White Paper relates only to private sector defined benefit schemes and is not concerned with other types of pension provision, such as public service pension schemes or defined contribution schemes. A response to our consultation on the future of the British Steel Pension Scheme (BSPS) is included in chapter four of the White Paper.

Defined benefit pensions are a subject of great importance to many people, representing their hopes for the future. We are determined to ensure that these hopes are protected. This White Paper is a key step towards a more secure future for members of these schemes.

[HCWS557]

Petitions

Monday 19 March 2018

OBSERVATIONS

DIGITAL, CULTURE, MEDIA AND SPORT

Mount Oswald Estate

The petition of residents of Mount Oswald Estate in Durham,

Declares that the new development, built by David Wilson Homes, where there are residents who lack any form of acceptable broadband service; further that the estate's phone lines are currently connected to a cabinet over 2km away, resulting in a typical broadband speed of 0-3 Mbps, well below the standard broadband speed of 17 Mbps; further that this is well below the broadband service that should be expected in a new-build development with a city-centre postcode; further that with the development of several hundred new homes immediately adjacent to the Mount Oswald Estate the broadband speeds are likely to deteriorate further without any action.

The petitioners therefore request that the House of Commons urges the Government to make provision for the installation of a new fibre-enabled cabinet in the immediate vicinity of the Mount Oswald Estate to ensure a future-proof service for all current and future residents of the estate.

And the petitioners remain, etc.—[Presented by Dr Roberta Blackman-Woods, *Official Report*, 6 February 2018; Vol. 635, c. 1464.]

[P002109]

Observations from the Secretary of State for Digital, Culture, Media and Sport (Matt Hancock):

The Government understand that a resolution has been reached between the developer, David Wilson Homes (DWH), and Openreach whereby broadband will be upgraded at Mount Oswald Estate. This upgrade will deliver Fibre to the Premise (FTTP) and will be completed within the next 12 months.

Furthermore, the Department for Digital, Culture, Media and Sport is actively working to improving new build connectivity across the country. We strengthened building regulations to introduce a requirement, from January 2017, for all new buildings and major renovations to include in-building physical infrastructure to support connections to superfast broadband. We are working with the Ministry for Housing, Communities and Local Government (MHCLG) to discuss what more can be done to ensure future-proofed connectivity is supported in their plans to reform the housing market.

In February 2016 the Government brokered a deal between Openreach and the Home Builders Federation (HBF) so that all new developments with over 250 homes would be offered superfast broadband for free, or as part of a co-funded initiative. In November 2016, Openreach announced that this would be lowered to all new developments with more than 30 homes. Currently, 99.2% of new developments with over 30 homes, and 83.2% of all new build development plots, are contracted for FTTP.

Virgin Media and GTC (another broadband infrastructure provider) subsequently also signed similar agreements with the HBF, including offering free site assessments to ensure new developments get the right connectivity in place at an early stage. This gives developers more options to ensure future-proofed connectivity at these sites and that the needs of customers are met.

To complement these agreements the Government and HBF have been working with developers to increase awareness of the benefits of digital connectivity, and the increasing expectations homeowners have for high quality broadband as standard in their homes, and we continue to engage with providers and HBF to ensure the agreements are working to deliver well-connected new developments.

There remain some developments which were built or were past planning stage before these agreements were in place. Openreach are currently looking at sites built in recent years, or are currently in progress, to explore if they can be upgraded either through Openreach investment, with a developer contribution, or through their Community Fibre Partnership Scheme.

TREASURY

Public Sector Workers

The petition of residents of the United Kingdom,

Declares that public sector services such as the NHS are running out of people resources and good will; further that the years of frozen pay, followed by a 1% pay rise reluctantly given by this Government three years ago and initially tied with restrictions, is an insult; further that there is a rise of public sector workers having to turn to foodbanks due to the Government's policies; and further that many are leaving their jobs as they cannot afford to live on their pay.

The petitioners therefore request that the House of Commons urges the Government to recognise the worth of public sector workers and recognise the financial losses that have been incurred.

And the petitioners remain, etc.—[Presented by Sandy Martin, *Official Report*, 26 February 2018; Vol. 636, c. 11-12P.]

[P002115]

Observations from the Chief Secretary to the Treasury (Elizabeth Truss):

The Government thank the hon. Member for Ipswich (Sandy Martin) for his petition and recognise the concerns of his constituents expressed within over levels of public sector pay.

Public sector workers deserve to have fulfilling jobs that are fairly rewarded. At the Budget, the Government reconfirmed the announcement from September to move away from the across the board one percent public sector pay policy, towards a more flexible approach on pay.

Whilst in place however, the one percent pay policy did not mean that public sector workers did not see any increase in their salaries. In 2016 over 50% of nurses and NHS staff had an average increase of over 3%, and teachers' average pay increased by 3.9% in 2015-16 and 4.6% in 2016-17, including increases in promotions and responsibility allowances.

The petition makes a specific reference to the NHS, the Government recognise that in the NHS there are unique pressures this year: there are more operations than ever and more people going to A&E than ever. That is why the Chancellor has committed to fund pay awards for Agenda for Change staff (nurses, midwives and paramedics), as part of a wider NHS funding commitment, that are agreed as part of a deal with the unions. As a result, there is the opportunity, through the Health Secretary's discussions with the Unions, to agree a pay deal to deliver productivity improvements and higher pay awards for NHS staff.

We still need to deal with our country's debts to ensure we have a strong economy to enable us to invest in our public services. This means that we will continue to take a balanced approach to public spending.

The Government will consider each specific workforce to ensure pay is set so that we can continue to both attract and hold on to the excellent staff that support our world-leading public services.

Before we make final decisions on pay awards for 2018-19, we are seeking the views of the independent pay review bodies, which will consider the evidence on how we ensure we attract and retain the very best people within our public services, like giving people more flexibility over their working hours.

The independent pay review bodies will report in spring and summer 2018, at which point we will consider their recommendations and announce public sector pay awards for each of those workforces.

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Monday 19 March 2018

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