

**Wednesday  
11 July 2018**

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**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**Wednesday 11 July 2018**

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# House of Commons

*Wednesday 11 July 2018*

*The House met at half-past Eleven o'clock*

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### SCOTLAND

*The Secretary of State was asked—*

#### Industrial Strategy

1. **John Howell** (Henley) (Con): What steps the Government are taking to ensure that Scotland benefits fully from the industrial strategy. [906297]

**The Parliamentary Under-Secretary of State for Wales (Stuart Andrew):** The industrial strategy is a strategy for the whole UK and will bring significant opportunities for Scotland. We are working with businesses, universities and business groups across Scotland to seize those opportunities. In line with devolution, the Scottish Government, of course, hold many of the levers to boost and support the growth that we hope the strategy will bring.

**John Howell:** Earlier this year, the Secretary of State for International Trade launched a drive to attract more than £2 billion of investment into Scottish companies as part of the modern industrial strategy. Does my hon. Friend welcome the Government's efforts to boost exports and to ensure that the benefits of free trade are spread right across the UK?

**Stuart Andrew:** I agree with my hon. Friend. Driving investment is one of the key ways we will deliver the industrial strategy, which will bring the benefits we want to see for Scotland. This pro-investment approach will see a truly global Britain hopefully becoming a leading place for people to invest.

**Mr Speaker:** I call Angus Brendan MacNeil.

**Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP) *indicated dissent.*

**Mr Speaker:** The hon. Gentleman is gesticulating from a sedentary position in respect to some other question that we have not reached, but might, and on which he may or may not be called.

**Alan Brown** (Kilmarnock and Loudoun) (SNP): What is the Secretary of State doing to argue that Scotland should be able to bid for onshore wind in contract for difference auctions?

**Stuart Andrew:** As the hon. Gentleman will know, there will be an announcement shortly. Of course, my right hon. Friend the Secretary of State has many meetings with his Cabinet colleagues to discuss such issues.

**Stephen Kerr** (Stirling) (Con): In November, the Secretary of State for Business, Energy and Industrial Strategy announced a review of how the UK and Scottish Governments could work more closely to support business in Scotland as part of the modern industrial strategy. Will my hon. Friend update the House on the progress of that review?

**Stuart Andrew:** My hon. Friend is absolutely right that an important part of delivering this industrial strategy is the UK and Scottish Governments working collaboratively. My right hon. Friend the Business Secretary gave evidence to the Economy, Jobs and Fair Work Committee in April, and he has also hosted a roundtable with the Scottish Chambers of Commerce, so a lot is going on.

**Lesley Laird** (Kirkcaldy and Cowdenbeath) (Lab): As a football fan, I wish England good luck tonight in their semi-final. Although 1966 may have been a very good year, 1967 was even better.

In 1999 it was a Labour Secretary of State for Scotland who stood up for Scottish shipyards and ensured that the contract for the Royal Fleet Auxiliary was given to the shipyards in Govan. Roll forward to 2018 and the contract for the fleet solid support ships is out for tender. Analysis by the GMB shows a direct tax and national insurance benefit and return to the Treasury of £285 million, but so far, the current Conservative Secretary of State has refused to stand up for Scottish shipyards. I therefore ask him a very straightforward question: why not?

**Stuart Andrew:** As someone who was born in Wales, who now lives in England and whose father and family come from Scotland, I join the hon. Lady in wishing the English team every success today.

I do not accept the hon. Lady's premise that my right hon. Friend the Secretary of State is not fighting for shipbuilding in this country. Our warships, which are being built in the UK, are securing 4,000 jobs and 20 years of work on the Clyde, and the British industry is preparing to bid for a new Type 31 class. We want all British yards to take part in the latest applications for the new contracts, and we hope that they are successful.

**Lesley Laird:** I am disappointed that the Secretary of State did not reply for himself, which answers my question about why he is not standing up for Scotland.

Without the fleet solid support ships contract, Rosyth will be struggling for work and thousands will be worse off as a result. Labour's Opposition day debate today will call on the Government to build these ships in the UK—build them here. The Government have a majority of 13, and there are 13 Scottish Tory MPs. Will this finally be the issue on which Scottish Tories stand up for Scotland? Will they and the Secretary of State back the motion, and will the Secretary of State encourage his other Westminster colleagues to do the same? Build them in Britain.

**Stuart Andrew:** Our Scottish Conservative MPs work day in, day out, not just for their constituencies, but for Scotland as a whole, and I am very proud of the work they do—they really are a formidable team. Last year, we unveiled an ambitious new national shipbuilding strategy, which met the challenge set by the independent Sir John Parker, who said:

“I am very impressed by the courage that the Secretary of State has shown—and the Government—in adopting my recommendations, which were very extensive”.

That shows that we are behind the shipbuilding industry.

### **European Union (Withdrawal) Act 2018: Legislative Consent**

2. **Angela Crawley** (Lanark and Hamilton East) (SNP): What recent discussions he has had with the (a) Scottish Government and (b) Prime Minister on the Scottish Parliament’s decision not to grant a legislative consent motion for the European Union (Withdrawal) Act 2018. [906298]

9. **Joanna Cherry** (Edinburgh South West) (SNP): What recent discussions he has had with the (a) Scottish Government and (b) Prime Minister on the Scottish Parliament’s decision not to grant a legislative consent motion for the European Union (Withdrawal) Act 2018. [906305]

10. **Hannah Bardell** (Livingston) (SNP): What recent discussions he has had with the (a) Scottish Government and (b) Prime Minister on the Scottish Parliament’s decision not to grant a legislative consent motion for the European Union (Withdrawal) Act 2018. [906308]

**The Secretary of State for Scotland (David Mundell):** The Joint Ministerial Committee (European Negotiations) met last Thursday and the Prime Minister was fully briefed on the outcome.

**Angela Crawley:** After repeated exclusion from Brexit discussions, the Secretary of State was finally allowed a place at the table at Chequers last week. How did he use that time to speak up for Scotland? What representations did he make on behalf of the Scottish Parliament, given the majority vote to withhold legislative consent?

**David Mundell:** The hon. Lady is conflating a number of issues, but what I can confirm to her is, as I discussed with Mr Russell last Thursday, that the Scottish Government produced a very complete document with their views to be fed into that meeting of the Cabinet, and I fed them in.

**Joanna Cherry:** That was a bit of a disappointing answer, so may I probe a bit further? The Prime Minister’s Chequers agreement rides roughshod over the Scottish Parliament. Scotland’s economy is heavily reliant on services. Thousands of my constituents work in that sector, yet she is determined to make a deal in which services are taken out. Has the Secretary of State worked out the impact of the Prime Minister’s decision on the Scottish economy yet, and what is he going to do about it?

**David Mundell:** At the heart of the issue is a fact in the Scottish Government’s document that this Government could not accept—the Scottish National party Scottish Government do not want to leave the European Union. The Prime Minister is focused on leaving the EU on a basis that not only does the best for British business, but respects the outcome of a referendum across the whole of the UK.

**Hannah Bardell:** I hear that the Secretary of State has been going about boasting that he is the longest serving member of Cabinet in role, but it seems odd that being invisible and ineffective has been rewarded. He has failed to represent and respect the democratic will of the Scottish Parliament. He has failed to speak up for Scotland in the Cabinet and failed to meet his promise to debate devolution in the Commons. When will he accept those failures and resign?

**David Mundell:** Goodness—the hon. Lady did not get a chance in the debate last week, so she just reheats the same old stuff. At the heart of this is the fact that the SNP does not accept and does not like the representations I make on behalf of Scotland, which are about keeping Scotland in the United Kingdom.

**Mr Steve Baker** (Wycombe) (Con): Over the past year, it has been a huge privilege to work closely with my right hon. Friend on this issue. Does he agree that the ludicrous theatrics of the nationalist party are a disservice to the people of not only Scotland, but the whole United Kingdom, because of the detrimental effect they had on the passage of the EU withdrawal Act?

**David Mundell:** I commend my hon. Friend for his efforts as a Minister. He was one of the hardest working Ministers I have ever encountered, and I absolutely agree with what he said. Although there are people in this Chamber who have their differences on Brexit, the SNP is not interested in Brexit—Brexit has been weaponised purely to take forward the cause of independence and have another independence referendum.

**Mr Alister Jack** (Dumfries and Galloway) (Con): Will my right hon. Friend reassure my constituents that the 2018 Act will not remove any of the Scottish Parliament’s current powers?

**David Mundell:** I can absolutely do that. We have heard repeatedly from the SNP about a power grab, but when Nicola Sturgeon reshuffled her Cabinet, she needed more Ministers because of the powers and responsibilities that the Scottish Government were taking on. Today, we learn that they have taken on additional office space in Glasgow for a bigger organisation because they are delivering existing priorities while embracing additional responsibilities.

**Bill Grant** (Ayr, Carrick and Cumnock) (Con): Scotland trades around four times as much with the rest of the United Kingdom as it does with the European Union. Does my right hon. Friend agree that our top priority must be to ensure that the internal UK market is protected as soon as we leave the European Union?

**David Mundell:** I absolutely agree with my hon. Friend. The UK internal market, which, as he says, is worth four times as much to Scotland as trade with the whole of the EU put together, may not be important to the Scottish National party, but it is important to businesses and for jobs in Scotland, and we will stand up to protect it.

**Ian Murray** (Edinburgh South) (Lab): With regard to the European Union (Withdrawal) Act or any issue to do with the EU in this House, will the Secretary of State

tell us how many times Ruth Davidson, the Scottish Conservative leader, has demanded that he or any of the 13 Scottish Conservative MPs vote against the Government line?

**David Mundell:** Ruth Davidson makes a very clear statement of her position on European issues and contributes fully to the debate. Government Members want to achieve a good deal for Scotland and the UK as we leave the EU. I hope that the hon. Gentleman will bring himself to support that.

**Tommy Sheppard** (Edinburgh East) (SNP): I am keen to get some clarity on the Secretary of State's discussions with the Scottish Government and the debate at Chequers last Friday. Given that the Chequers agreement talks about a free trade area and a common rulebook, and therefore impacts directly on the areas that were discussed in respect of joint arrangements after Brexit, will he confirm that the content of that agreement was discussed with the Scottish Government in advance?

**David Mundell:** This comes back to the same question that the hon. Gentleman asks on each occasion. He cannot accept that Scotland has two Parliaments and two Governments.

**Tommy Sheppard:** I will take that as a no, then, which is beyond disappointing. The Secretary of State continues his disrespect for devolution. Given that the Government are changing their entire direction with respect to this matter, will he commit today to consulting the Scottish Government and coming to an agreement with them on how to administer things in Scotland after Brexit?

**David Mundell:** I am very keen and willing to work with the Scottish Government. As I said, the Scottish Government set out a helpful summary of their position, which we discussed with Mr Russell last week. I then set out the Scottish Government's concerns and issues during the Cabinet meeting. After that Cabinet meeting, the Chancellor of the Duchy of Lancaster and people from the Prime Minister's office updated the Scottish Government on the Chequers summit.

**Mr Speaker:** We need to make faster progress; it is far too slow.

**Mr Paul Sweeney** (Glasgow North East) (Lab/Co-op): I feel that I ought to congratulate the Secretary of State on achieving a new milestone as the longest-serving member in one role in the Prime Minister's Cabinet, but I fear that may be by virtue of his invisibility, rather than his invincibility. As we have just heard, the Secretary of State is failing to stand up for Scotland's interests when it comes to shipbuilding, and he and his 12 Scottish Tory colleagues have failed to stand up for Scotland's devolution settlement. Will he use the influence that he should have developed over the past few years and condemn his Government's handling of the devolution settlement, thereby demonstrating that he is not just Scotland's invisible man in the Cabinet?

**David Mundell:** What I condemn is the once proud Unionist Scottish Labour party repeatedly voting with the SNP in Holyrood. I am afraid they have become just Nicola's little helpers.

### Leaving the EU: Fishing

3. **Douglas Ross** (Moray) (Con): What assessment he has made of the opportunities for the Scottish fishing industry after the UK leaves the EU. [906299]

7. **David Duguid** (Banff and Buchan) (Con): What assessment he has made of the opportunities for the Scottish fishing industry after the UK leaves the EU. [906303]

13. **Chris Green** (Bolton West) (Con): What assessment he has made of the opportunities for the Scottish fishing industry after the UK leaves the EU. [906311]

**The Secretary of State for Scotland (David Mundell):** I am proud to say that this Conservative Government are unequivocally taking Scotland's fishermen out of the hated common fisheries policy. Just last week, the UK Government published their fisheries White Paper, which sets out that as an independent coastal state, we will at long last regain control of our waters.

**Douglas Ross:** Does the Secretary of State know whether the Scottish Government are supporting the central aims of that fisheries White Paper—namely that we leave the CFP; that we decide who catches what, where and when; that we manage the expansion of our industry in a sustainable way; and that we are not blackmailed by Brussels for our market—or does the SNP want to keep us in the hated CFP?

**Mr Speaker:** Hopelessly long. I have already said that we need to speed up. The trouble is that people have these pre-prepared, scripted questions—[*Interruption.*] Well, the hon. Member for Moray (Douglas Ross) has learned it, and we are grateful to him.

**David Mundell:** Sadly, the Scottish Government's position remains exactly as it has been throughout: to take Scotland back into the CFP.

**David Duguid:** Last week's publication of the fisheries White Paper was a hugely welcome step for an industry that is looking to capitalise on the benefits of leaving the EU. Will my right hon. Friend confirm that, during the exit negotiations with the EU, this Government will keep the issues of access to British waters for EU vessels and access to the EU market for British fish separate, as they must not be conflated?

**David Mundell:** Yes, we will.

**Mr Speaker:** Absolutely marvellous.

**Chris Green:** Does my right hon. Friend agree that it will take many years to build the Scottish fishing fleet back up to full strength, but that that would never happen if the SNP got its way and kept us in the common fisheries policy?

**David Mundell:** Absolutely, and we can see that in the response of the fishing industry. This Government are right behind the fishing industry in taking advantage of what it sees as a sea of opportunity.



11. [906309] **Douglas Chapman** (Dunfermline and West Fife) (SNP): Fifty per cent. of the fish processing industry relies on an EU workforce. What protection has the Secretary of State negotiated within the Cabinet to secure their future post-Brexit?

**David Mundell:** The right hon. Member for Orkney and Shetland (Mr Carmichael) has secured a very opposite debate on that matter this evening. I am very conscious of this issue, and I will be meeting the Home Secretary next week.

12. [906310] **John Mc Nally** (Falkirk) (SNP): The White Paper refers to the seafood trade as “vital” but, as with EU workers, no information is given about how it will be protected. This will be of concern to the live shellfish industry in Orkney and Shetland, which enjoys a frictionless customs passage in the EU at the moment. Will the Secretary of State guarantee that that frictionless passage will continue?

**David Mundell:** I am very conscious of the issues around not just catching and processing fish, but the markets, and those will be at the forefront of our thinking as we take forward leaving the EU.

**Rachel Maclean** (Redditch) (Con): Will my right hon. Friend tell me what benefits there will be from leaving the common fisheries policies for the whole of the United Kingdom?

**David Mundell:** Mr Speaker, you have asked me to be brief, so I will refer my hon. Friend to the Scottish Fishermen’s Federation document “Sea of Opportunity”.

**Mr Alistair Carmichael** (Orkney and Shetland) (LD): I do not know what the Secretary of State plans to be doing at 7 o’clock this evening, but I shall be here, along with the Immigration Minister, for the end-of-day Adjournment debate on the subject of visas for non-EEA nationals in the fishing industry. If he could fix that and get the industry the labour that it needs between now and 7 pm, we could both probably think of something else to be doing.

**David Mundell:** I am afraid that I cannot meet the right hon. Gentleman’s timescale but, like him and others, I wish England well in their game this evening. On the substantive issue that he raises, I would be very happy to speak to him directly ahead of my meeting with the Home Secretary.

### Connectivity

4. **John Lamont** (Berwickshire, Roxburgh and Selkirk) (Con): What steps the Government are taking to support connectivity between Scotland and the rest of the UK. [906300]

5. **Paul Masterton** (East Renfrewshire) (Con): What steps the Government are taking to support connectivity between Scotland and the rest of the UK. [906301]

**The Parliamentary Under-Secretary of State for Wales (Stuart Andrew):** Scotland’s trade with the rest of the UK is, as we heard a moment ago, four times that with the EU, so good connectivity is vital to our shared

prosperity. The recent vote on Heathrow was critical. Maintaining and enhancing routes to Scotland will bring key benefits, and more frequent and new routes will be served to help to improve connectivity.

**John Lamont:** Many businesses in my constituency depend on customers and staff from south of the border, so what discussions has the Minister had with the Scottish Government about improving cross-border links on the A1, A68 and A7, and, crucially, the extension of the Borders Railway to Carlisle?

**Stuart Andrew:** My hon. Friend is absolutely right that cross-border connectivity is crucial right across the United Kingdom. He and his constituents will quite rightly expect the UK Government to commit to working closely and constructively with the Scottish Government so that we have a joined-up approach. We are working on a day-to-day level, and at an official level between the Department for Transport and Transport Scotland. As for long-term projects, the potential of the borderlands growth deal could stand to be transformative for his constituents.

**Paul Masterton:** Does my hon. Friend agree with the managing director of Glasgow airport, Derek Provan, who said that additional flights resulting from a third runway at Heathrow are “imperative for Scottish business”, and can he guarantee that a good proportion of those additional flights will go from Glasgow?

**Stuart Andrew:** My hon. Friend is absolutely right and so is the MD of Glasgow airport. The third runway is imperative for Scottish businesses, which is why we have set very clear expectations that 15% of the slots that are made available will be for domestic flights. It is disappointing that the Scottish National party did not vote for this expansion. [Interruption.]

**Mr Speaker:** I understand the sense of anticipation and excitement in the Chamber, but it seems very unfair on the hon. Member for East Renfrewshire (Paul Masterton) that his question was not fully heard, and that we could not properly hear the mellifluous tones of a very courteous Minister. If there could be greater attentiveness to these important matters, it would be a great advance.

**Martin Whitfield** (East Lothian) (Lab): Will the Minister confirm his support for local councils, including my own of East Lothian, in their application for wave 3 funding for broadband roll-out from this Government?

**Stuart Andrew:** I cannot give the hon. Gentleman specific confirmation at this point, but I would be more than happy to write to him, if he would allow me to.

**Christine Jardine** (Edinburgh West) (LD): Does the Minister share the concern in Scotland that, although the third runway for Heathrow might be helpful to the south-east of England, the effect on the Scottish climate of those extra flights—rather than direct flights or improved rail services—could actually be damaging?

**Stuart Andrew:** As the hon. Lady is probably aware, when we made the announcement and had the vote, we made a commitment to having a strong environmental plan. We will be looking at that very seriously.

### Telecommunications: Rural Areas

6. **Jamie Stone** (Caithness, Sutherland and Easter Ross) (LD): What discussions he has had with the Secretary of State for Digital, Culture, Media and Sport on improving telecommunications in rural Scotland. [906302]

**The Secretary of State for Scotland (David Mundell):** May I first welcome my right hon. and learned Friend the Member for Kenilworth and Southam (Jeremy Wright) to his role as Secretary of State for Digital, Culture, Media and Sport, and thank his predecessor for his energy and the interest that he showed in Scotland? I have regular discussions with Cabinet colleagues regarding a wide range of issues relating to Scotland and look forward to working closely with the new Secretary of State on this issue.

**Jamie Stone:** The Secretary of State will be aware that mobile reception in my constituency is variable, to say the very least. The Home Office has given a company called EE a large amount of money to install infrastructure. Will the Secretary of State help other providers to access this infrastructure?

**David Mundell:** The hon. Gentleman raises an important issue for rural Scotland; it is also very important in my own Dumfriesshire, Clydesdale and Tweeddale constituency. I will give him that undertaking.

**Kirstene Hair** (Angus) (Con): Last month, the then Secretary of State for Digital, Culture, Media and Sport warned that Scotland was due to miss its target of connecting every business and home in Scotland with superfast broadband. Does the Secretary of State for Scotland agree that the SNP is letting down rural areas such as my constituency of Angus?

**David Mundell:** My hon. Friend has been a powerful advocate for improved broadband in rural Scotland. Indeed, she is correct that the Scottish Government have let Scotland down on this issue.

**Pete Wishart** (Perth and North Perthshire) (SNP): According to thinkbroadband, 93.4% of premises in Scotland now have access to superfast broadband, which compares with 95% in the UK. This has been done with some of the most challenging geography in the whole of Europe, with some £580 million of Scottish Government money being put into the last 5%. Will the Secretary of State now congratulate the Scottish Government on achieving this and thank them for investing in a reserved area, which is his responsibility?

**David Mundell:** Rather than reading out Scottish Government press releases, the hon. Gentleman should be standing up for his constituents and people across rural Scotland who get a poor deal on broadband, which is primarily due to the ineffectiveness of the Scottish Government.

### Devolution

8. **Gavin Newlands** (Paisley and Renfrewshire North) (SNP): What recent discussions he has had with the Scottish Government on the devolution of powers to the Scottish Parliament. [906304]

**The Secretary of State for Scotland (David Mundell):** My ministerial colleagues and I frequently meet the Scottish Government to discuss a range of issues relating to the implementation of the Scotland Act 2016. Only last week, I gave my agreement to a section 104 order for the delivery of welfare benefits. This makes changes to UK legislation so that the Scottish Government can take on Executive responsibility for carer's allowance.

**Gavin Newlands:** I am sure that they are very grateful for that. The Secretary of State has said:

“The UK Government will continue working closely with the Scottish Government and other devolved administrations to develop a fishing policy that works for the whole of the UK.”

In reality, they were shown a copy of the White Paper with no consultation. Will he please define “working closely”?

**David Mundell:** My definition of “working closely” is that, when my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs and I met Fergus Ewing, the Minister responsible for fishing, at the highland show, it was very cordial.

**Luke Graham** (Ochil and South Perthshire) (Con): As most people in the House know, the Smith commission will have the cross-party commitment to have more devolution from Edinburgh to local authorities, and not to centralise power. What discussions has my right hon. Friend had with the devolved Administration to ensure that that happens?

**David Mundell:** As my hon. Friend knows, these matters are devolved, but it is a matter of profound disappointment that, rather than devolving powers on within Scotland, the SNP Scottish Government have become one of the most centralised Governments anywhere in the world.

**Several hon. Members** *rose*—

**Mr Speaker:** I see it is a five-way contest in the SNP ranks, but we have got to hear from the Select Committee Chair, and I hope he will be brief.

**Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP): Thank you very much, Mr Speaker—you are a great man indeed.

Devolving powers over work visas would make a tremendous difference to the fishing industry and get people in from non-EEA countries such as, in particular, Ghana and the Philippines, who are very valued in Scotland. Will this Government get on with their job, stop the Brexit soap opera, lift the pin, get the men in, get the boats fishing, and get taxes being paid—and move now?

**David Mundell:** I have already advised the right hon. Member for Orkney and Shetland (Mr Carmichael)—who, as the hon. Gentleman will have heard, is having a debate at 7 pm this evening; I am sure he will want to be there—that I take this issue very seriously. I am meeting the Home Secretary on it next week.

**Dr Philippa Whitford** (Central Ayrshire) (SNP): I do not think that meeting Fergus Ewing at the highland show can really count as consultation, so what formal consultation was carried out before the fishing White Paper was published?

**David Mundell:** As I think the hon. Lady will appreciate, the White Paper is itself a consultation, so let us hear her and the SNP's views on fishing. But of course they do not really want to tell us, because their view is, "Take Scotland back into the common fisheries policy."

## PRIME MINISTER

*The Prime Minister was asked—*

### Engagements

Q1. [906382] **Chris Stephens** (Glasgow South West) (SNP): If she will list her official engagements for Wednesday 11 July.

**The Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office (Mr David Lidington):** I have been asked to reply. My right hon. Friend the Prime Minister is attending the NATO summit in Brussels.

I know that Members on both sides of this House would like to join me in paying tribute to Lord Carrington, who died on Monday. His was an extraordinary life of public service, including as Defence Secretary, Foreign Secretary, and Secretary General of NATO.

I am sure, too, that all Members would also wish to commend the incredible efforts of the authorities in Thailand and the volunteers from the British Cave Rescue Council for their role in the successful rescue operation. We wish them, the boys and the coach who were rescued and their families well. I know that we would all wish also to offer our condolences to the family of the Thai diver, Saman Gunan, who sadly lost his life during the rescue operation.

Finally, I am sure that all Members, whichever part of the United Kingdom they come from, would join me in congratulating Gareth Southgate and the England team on their fantastic performance in the quarter-final on Saturday, and in wishing them the very best for this evening's match against Croatia. I will happily buy the right hon. Member for Islington South and Finsbury (Emily Thornberry) a flag to help her to join in.

In addition to my duties in this House, I have had meetings with ministerial colleagues and others and will have further such meetings later today.

**Chris Stephens:** As someone who supports the principle of independence for England, I have no problem in supporting England tonight.

I thank the Minister for his role in helping to secure a public inquiry into contaminated blood. My constituent Cathy Young and many infected blood campaigners, however, remain concerned that the inquiry will be delayed, like Chilcot, by those who may have a case to answer through the Maxwellisation process. Does the Minister agree that truth and justice should not be delayed? Will he commit to the Government looking at legislative changes to the Maxwellisation process?

**Mr Lidington:** This is of course a tragedy that has caused unimaginable hardship and pain for the people affected. Let me say straightaway that we recognise the hard work that the hon. Gentleman and others from all political parties here have put into campaigning on this issue.

In relation to the specific issue that the hon. Gentleman raises, I am sure he will understand that whether or not the inquiry adopts a Maxwellisation process is a matter for the independent inquiry itself. It is, as the term suggests, independent of ministerial direction, but having talked to Sir Brian Langstaff directly, I know that he and his team are very mindful of the need for speed. Victims of infected blood continue to die, and I know that Sir Brian is determined to complete the inquiry's work as quickly as a thorough examination of the facts allows. The Government are committed to ensuring that the inquiry has all the resources and everything else it needs to complete that task as rapidly as possible.

Q4. [906385] **Mr Nigel Evans** (Ribble Valley) (Con): As a proud Welshman and a proud Brit, I say, "Come on England!"

Crime is on the increase in the Ribble Valley, including antisocial behaviour orders, but the response from the Labour police and crime commissioner is to close front desk services at police stations, including Clitheroe police station. Does my right hon. Friend agree that we do not better protect the public by degrading the service that they pay for?

**Mr Lidington:** My hon. Friend is right to say that the accessibility of local officers is a vital principle of British policing. He will know that we have provided a strong and comprehensive settlement that is increasing total investment in the police system by more than £460 million in this financial year, and for Lancashire police specifically, we have provided more than £6 million for 2017-18. As he says, decisions about resources, including the use of police stations, are a matter for police and crime commissioners and chief constables, but I encourage those who make those decisions to listen to their local communities to best assess their needs.

**Mr Speaker:** Before I call the right hon. Member for Islington South and Finsbury (Emily Thornberry), I should mention that we are very fortunate today to be joined in one of our Galleries by two members of the Osmond family, Jay and Merrill Osmond. It takes some of us back to the 1970s. We are very pleased to have you—well done.

**Emily Thornberry** (Islington South and Finsbury) (Lab): May I join the Minister in paying tribute to Lord Carrington, who served his country with such distinction in both the forces and in government and whose decision to resign the office of Foreign Secretary will be remembered as an act of great principle and honour?

I share the joy at the rescue of the boys in Thailand and salute the bravery and sacrifice of the diving teams, including the seven British divers.

On the question of tonight's match, I am afraid that I am not going to be watching it. It will be the only game that I have missed, but I will be representing the Labour party at tonight's memorial event for the anniversary of the Srebrenica genocide—something very close to my heart, given my father's role in trying to prevent it.

Let me wish Gareth Southgate and the England team the best of luck for this match and hopefully for the final on Sunday. I may know very little about football, but even I can see that England's progress so far at the World cup shows what can be achieved when all the



individual players work effectively as a team, when there is a clear game plan, when they are all working together and, of course, when everyone respects and listens to the manager. Can I simply ask the Minister what lessons he thinks the England team could teach this shambles of a Government?

**Mr Lidington:** I think that the England team does teach some good lessons about the importance of having a clear plan which the leader, the team captain, has the full support of the squad in delivering. We will of course be publishing tomorrow full details of the United Kingdom plan for Brexit, which we will be putting to the British public and to our 27 European partners. When the right hon. Lady gets up again, perhaps she will tell us what the Labour party's alternative plan is, for at the moment that is one of the best kept secrets in politics.

**Emily Thornberry:** I thank the Minister for that answer, but who does he think he is kidding? Even Donald Trump can see that the Government are in turmoil, and he has not even got to Britain yet.

May I ask the Minister once again the question I asked him at PMQs in December 2016, when he compared Labour's shadow Cabinet to "Mutiny on the Bounty" remade by the "Carry On" team. By those standards, what would he describe his lot now as—perhaps "Reservoir Dogs" remade by the Chuckle Brothers? But let me take him back to our first PMQs in 2016, when I asked him how it was possible to retain frictionless trade with Europe without remaining in a customs union. I got no answer then. Let me try again today. Can he explain how frictionless trade is going to be achieved under this Government's Chequers plan?

**Mr Lidington:** The right hon. Lady will see the detail in the White Paper but, if she had been listening to my right hon. Friend the Prime Minister on Monday, she would have heard the Prime Minister explain very clearly that we believe a combination of the common rulebook on goods and on agri-food, coupled with the facilitated customs arrangement that we are proposing, will provide just that. What is more, that takes full account of the wish of United Kingdom business to ensure that frictionless trade will continue. If the right hon. Lady disagrees, will she stand up and say what her alternative proposal is?

**Emily Thornberry:** I thank the Minister for that answer on the Chequers free trade proposal, but I was hoping today that he would go beyond the theory and explain in practice how it works. So let me check one specific, but important point. For the Chequers proposal to work in practice, based on what the Prime Minister said on Monday, not just the UK, but every EU member state will have to apply the correct tariff to imports, depending if they are destined for the UK or the EU, and then will have to track each consignment until it reaches its destination to stop any customs fraud. If that is correct, can I ask the Minister what new resources and technology will be required to put that system in place across the EU? How much is it going to cost, who is going to pay and how long is it going to take?

**Mr Lidington:** No, I am afraid the right hon. Lady is incorrect in her assumptions. For a start, the customs model that we are proposing would not, under the

arrangements that we suggest, affect either imports or exports involving this country and the European Union. They would not involve exports from this country to the rest of the world. We are talking about imports to this country from non-EU member states. Our calculation is that when, in particular, we look at the importance of those sectors where either zero tariffs or very low tariffs already exist under World Trade Organisation arrangements, or where finished goods are involved and therefore it is easy to identify the final destination, we will find that 96% of UK goods trade is going to pay either the correct or no tariff at all at the border.

**Emily Thornberry:** The Minister has, I believe, said something quite interesting, and I do hope that his Back Benchers are listening very carefully. He says that the Chequers free trade proposal will require no new technology and will involve no tracking of goods, but how can that be possible if there is no divergence on tariffs and no divergence on regulation—in other words, on trade in goods we will continue exactly as we are at present?

**Mr Lidington:** I am afraid the right hon. Lady might not have sat through all the Prime Minister's statement and responses to questions on Monday, but my right hon. Friend made it very clear that we are actively looking in these new circumstances—frankly, we would, as a sensible Government, be looking anyway—at the opportunities that new technology offers, and will offer in the future, to minimise friction on trade for businesses of all kinds.

**Emily Thornberry:** The Minister cannot answer these simple questions of detail because he cannot admit the truth. The truth is that the Chequers proposal is total delusion. The UK cannot set its own tariffs on goods and keep frictionless trade with the EU. The technology to do so does not exist. There will be no divergence on tariffs in a free-trade area and no divergence on regulation. It is a customs union in all but name, but it does not cover our service industries, because—the Government claim—that is the great area of potential to negotiate trade agreements with the rest of the world. Can I ask the Minister to explain why a country such as China would agree to import more of our services if we cannot agree, in turn, to lower tariffs on its goods?

**Mr Lidington:** First, I think that the right hon. Lady still misunderstands the customs arrangements that we are proposing, and I advise her to look at the White Paper when it is published tomorrow. The reason we are proposing to treat services differently is that it is in services that regulatory flexibility matters most for both current and future trading opportunities. Although the EU acquis on goods has been stable for about 30 years, the EU acquis on services has not been, and the risk of unwelcome EU measures coming into play through the acquis on services is much greater.

**Emily Thornberry:** Well, I have asked the Minister why China would accept such a one-way deal on services, and the answer is that it would not. It is simply another Chequers delusion—a Brexit dream with no grip on reality. There is an easy answer to this mess: an alternative that will offer all the benefits of the Chequers free trade area with no new technology, no cost and no delay;

an alternative that both this House and Europe will accept; and an alternative covering both goods and services. Can I appeal to the Minister to accept that alternative, do what I urged him to do two years ago, and, instead of trying to negotiate some half-baked, back-door version of the customs union, get on with negotiating the real thing?

**Mr Lidington:** Again, the right hon. Lady keeps silent about what the Labour party is proposing. The truth is—*[Interruption.]*

**Mr Speaker:** Order. I want to hear the reply of the Chancellor of the Duchy of Lancaster. I say, in the most genial spirit possible, to the hon. Member for Lincoln (Karen Lee) that she is allowing her blood pressure to rise unduly. I say in a humanitarian spirit, calm yourself, and let us hear the ministerial reply.

**Mr Lidington:** The Labour party says that it would strike new trade deals, but its plan to stay in the customs union would prevent that because it would bind us to the common commercial policy for all time. It used to say that it would control our borders, but it backed an amendment to the withdrawal Bill to let freedom of movement continue.

The Labour party also used to say that it respected the referendum result, but now it is toying once again with the idea of a second referendum. The Labour leader will not rule it out; the deputy leader will not rule it out; and the shadow Brexit Secretary will not rule it out. Nothing could be better calculated to undermine our negotiating position, and lessen our chances of a good deal, than holding out that prospect of a second vote. Whichever side any of us campaigned on in that referendum, the country made a decision, and we should now get on with the task in hand. That is what the Government are doing.

**Emily Thornberry:** The Minister seems to argue that by leaving the EU the British people voted against a customs union, but that is the complete opposite of what he used to say. I take him back to 2011, when he said that a yes-no referendum would not give us that information. He said:

“that sharp division between the status quo and quitting the EU does not reflect the breadth of views held in...the country.”

For example, he said:

“If people voted to leave the EU would that mean having no special relationship with the EU or would it mean a relationship like Norway’s?”

He said it. My question is, we understand what he is saying, but when did he stop agreeing with himself? I fear that we will look back on this week as one where the Government could have taken a decisive step towards a sensible workable deal to protect jobs and trade. We have ended up with them proposing a dog’s Brexit, which will satisfy no one, which will not fly in Europe, which will waste the next few weeks and will take us—

**Mr Speaker:** Order. Thank you. *[Interruption.]* Order. No, I think we have heard it fully, and that is absolutely right.

**Mr Lidington:** The right hon. Lady gave away her misunderstanding, as her question seemed to imply that she thinks Norway is in a customs union with the European Union. It is not. What we have on the table from the Government is a comprehensive set of proposals

that we believe will deliver for British business in terms of frictionless trade and will deliver on what people voted for in the referendum—to restore to this House control of our laws, control of our borders and control of our money—and achieve a new security partnership with our European neighbours that is in the interests of every European country. The right hon. Lady should get behind us, support us and work in the common interest instead of carping from the side lines.

**Q5.** [906386] **Andrew Rosindell** (Romford) (Con): My right hon. Friend will be aware that in London we have experienced a 377% increase in moped crime in the past two years. As the Mayor of London has so failed to tackle crime, will my right hon. Friend ensure that the Government intervene to make London the safest city in the world?

**Mr Lidington:** Reports of crimes involving motorcycles, mopeds and scooters are clearly a concern. We have been working with the police, industry and other partners to develop a comprehensive action plan to focus on what works and what more needs to be done. The police are now using new tactics, including off-road bikes and DNA marker sprays, to catch those committing these crimes. My right hon. Friend the Home Secretary is now consulting on proposals to give greater legal protection to police officers pursuing offenders. It takes action to secure a reduction in these crimes, not just a press release from the Mayor’s office. Action is what the Government are undertaking.

**Ian Blackford** (Ross, Skye and Lochaber) (SNP): Today is the 23rd anniversary of the Srebrenica genocide. Yesterday, I witnessed the heartbreaking testimony of two survivors of those heinous crimes against humanity, Dr Ilijaz Pilav and Nusreta Sivac. Today, we all must remember the victims who were tortured, raped and murdered. Will the Minister join me in remembering those victims, and will he commit, on behalf of the Government, to bring forward a debate before the summer recess to put on record our united position that we remember and to debate what measures we can take to help to make sure that such genocide can never be allowed to happen again?

**Mr Lidington:** The right hon. Gentleman reminds us that the horror of Srebrenica 23 years ago should remind us all of the intolerance that still exists in the world and why we all have a duty to do what we can to confront and overcome it and to promote genuine reconciliation. My right hon. Friend the Leader of the House will have heard his request for a debate. I hope that the whole House will also, while remembering the appalling tragedy of Srebrenica, take some heart from the fact that yesterday’s western Balkans summit in London, bringing together the leaders of all western Balkans countries in a spirit of co-operation and reconciliation, demonstrates that we have moved a long way in 23 years. The right hon. Gentleman is correct that we must never become complacent. We must always be aware of the need for continuing work and effort.

**Ian Blackford:** I thank the Minister for his response. Such anniversaries should remind us all of the dangers of extreme bigotry. The world that we live in today is a dangerous one. Tomorrow, the President of the United

States of America will regrettably have the red carpet rolled out for him by this Conservative Government, but from the public, the welcome will be far from warm. With protests planned across Scotland and the United Kingdom against President Trump's abhorrent policies and dangerous rhetoric, will the Minister follow the SNP's lead and challenge President Trump on his abysmal record on human rights, his repugnant attitude towards women and his disgusting treatment of minorities, or does the Minister think that he will simply follow the Prime Minister's lead and join the President hand in hand?

**Mr Lidington:** I disagree with the right hon. Gentleman. This country's relationship with the United States of America is probably the closest between any two democracies in the west. It has lasted through Democrat and Republican presidencies alike and through Labour and Conservative premierships on this side of the Atlantic. Because of the security co-operation that we have with the United States, UK citizens are alive today who might well not be alive had that co-operation and information and intelligence sharing not taken place. It is therefore right that we welcome the duly elected President of our closest ally, as we shall do tomorrow.

Q7. [906388] **Julian Sturdy** (York Outer) (Con): There are growing concerns in my constituency about the proposed changes to planning powers for fracking applications being put forward for consultation by the Government and specifically the idea of treating non-fracking shale exploration as permitted development. Will my right hon. Friend update me on when the consultation will be open, and does he agree that these kinds of planning application must come forward on the basis of local authority consent?

**Mr Lidington:** As my hon. Friend knows, shale gas has the potential to boost economic growth and support thousands of jobs across a number of sectors, as well as adding to this country's energy security. The Government have outlined how we believe shale gas planning decisions should be made quickly and fairly to all involved. We are committed to consulting on further shale gas planning measures. Those consultations are planned to open over the summer, and I reassure my hon. Friend that these decisions will always be made in a way that ensures that shale use can happen safely, respecting local communities and safeguarding the environment.

Q2. [906383] **Mr George Howarth** (Knowsley) (Lab): The artificial pancreas, which is championed by the Juvenile Diabetes Research Foundation, has the potential to transform the lives of those with type 1 diabetes. Will the right hon. Gentleman agree to look at ways to increase access to diabetes technology, including the artificial pancreas and continuous glucose monitoring, so that everyone with type 1 diabetes will have access to the best available technology?

**Mr Lidington:** First, I recognise the work that the right hon. Gentleman personally has put into campaigning on this issue. I am also aware of his personal experience of the devastating impact that this condition can have on families. I reassure him that the Government are committed to promoting the best possible care and treatment for people with diabetes as a priority. The National Institute for Health Research biomedical research

centre in Cambridge is pioneering the development and use of the artificial pancreas, and the prototype system is now being tested by people in their own homes. I understand that the NIHR infrastructure supported more than 100 new studies and recruited almost 38,000 patients to help with those studies. That work is ongoing to test the efficacy of the artificial pancreas, and I shall certainly draw the right hon. Gentleman's comments and campaign on this issue to the attention of the new Secretary of State for Health and Social Care.

Q10. [906391] **Simon Hoare** (North Dorset) (Con): While we enjoy the summer weather, it does, of course, present challenges to our farming community. Will my right hon. Friend join the National Farmers Union and me in calling for people not to use sky lanterns, preferably ever, but certainly not during such a tinder-dry harvest? Our food producers deserve our support.

**Mr Lidington:** My hon. Friend raises an important issue. First, I am sure we would all want to salute the incredible work that firefighters, the military and other partner agencies have done in responding to the wildfires we have seen in various parts of the country in the past couple of weeks. I encourage all organisers of summer events to exercise caution in this hot climate, to follow Home Office guidance on outdoor fire safety and to take steps to prevent the risk of fire from lanterns and fireworks, and to think about both the fire risk and the impact that debris from lanterns has too often had on farmers' livestock.

Q3. [906384] **Dan Carden** (Liverpool, Walton) (Lab): Since the collapse of Carillion six months ago, the new Royal Liverpool Hospital has stood unfinished and empty—a monument to corporate greed. Hospitals are for treating the sick, not lining the pockets of investors, so instead of waiting for commercial lawyers and accountants, holding secret meetings with no public accountability, will the Government now call in this contract, buy out the investors and deliver a publicly owned, publicly run hospital for the people of Liverpool?

**Mr Lidington:** First, I want to reassure the hon. Gentleman that we are absolutely committed to getting the Royal Liverpool Hospital built as rapidly as possible and to securing best value for money in doing so, and we are supporting the Royal Liverpool and Broadgreen University Hospitals NHS Trust in that work, but I do not think that what he advocates, which is to buy out the interests of the banks that have lent money to this project, is the right approach. It would encourage irresponsible lending against the prospect of a Government bail-out down the line. It is important that risk be seen to lie with the banks and the lenders and not be underwritten by the taxpayer. We are working actively with the trust and the existing private sector funders to find a way forward for them to complete the remaining work on the hospital, and we hope that this work will conclude in the very near future.

**Mr Speaker:** I have known the right hon. Member for Aylesbury (Mr Lidington) for more than 30 years, so I fully understand that the comprehensiveness of his replies reflects his past distinction as a noted academic, but I gently make the point that I am determined to get through the questions on the Order Paper.



Q12. [906393] **Alberto Costa** (South Leicestershire) (Con): Given the NATO summit this week and the range of threats that this nation faces, including the appalling use of nerve agents on British soil, will my right hon. Friend reassure me and my constituents that the Government will continue to see NATO as the bedrock of Britain's defence?

**Mr Lidington:** First, as far as this Government are concerned, NATO is, and will remain, the bedrock of our collective security, and certainly the threat posed by Russia will be one of the subjects that the Prime Minister and other leaders will be discussing at the summit in Brussels. I reflect with regret on the fact that the Leader of the Opposition has said on the record that he wishes that we were not part of NATO. The use of nerve agents in this country is appalling and impossible to excuse. The police continue to investigate what happened and how the attack was caused. The Government are fully committed to supporting the region and its residents and have announced new financial help to Salisbury and the surrounding area today.

Q6. [906387] **Wes Streeting** (Ilford North) (Lab): Until she was raped at the age of 18, my constituent led a healthy and happy life. Since then she has suffered severe post-traumatic stress disorder, seizures and blackouts, panic attacks, anxiety and depression, and is heavily reliant on her mother's care. The Department for Work and Pensions has refused to award her the enhanced rate of personal independence payment on the basis that when she presented herself for her assessment, she was not demonstrating those particular symptoms. As a result, her mother is unable to claim income support and carers allowance, which is placing financial hardship on top of severe emotional distress.

May I ask the right hon. Gentleman to arrange a meeting for me with the Secretary of State for Work and Pensions? What my constituent has experienced is, I am afraid, another example of what we see week in, week out in our surgeries: the cruel and inhumane consequences of this Government's welfare policies.

**Mr Lidington:** I know that the hon. Gentleman has campaigned on the issue of DIPG for some time. I think the whole House will want to offer sympathy—which I certainly share—to his constituent and to anyone affected by that appalling condition. I will certainly draw the points that he has made to the attention of the Secretary of State for Work and Pensions, and I am sure that a meeting will be arranged for him with either the Secretary of State or one of her Ministers.

Q13. [906394] **Dame Cheryl Gillan** (Chesham and Amersham) (Con): Every Member of Parliament will have about 1,000 constituents who are on the autistic spectrum, and who will suffer from anxiety and often, in crisis moments, will not know where to turn. All of us here are familiar with the expression, "Don't make a mountain out of a molehill." This week sees the launch of Molehill Mountain, a free, groundbreaking smartphone app that has been developed by the charity Autistica, and which will help autistic adults to manage their anxiety. Will my right hon. Friend join me in welcoming this fantastic new app, which could help many people to manage their fears?

**Mr Lidington:** I commend my right hon. Friend for the work that she continues to do, through the all-party parliamentary group on autism, to lead the campaign for better, more effective care and support for people with autistic spectrum disorders. I think that the changes in the special educational needs and disability system that were introduced four years ago have enabled us to join up state-provided services more effectively than in the past, but I am more than happy to welcome the new app and any other new technologies that will help people with autistic spectrum disorder.

Q8. [906389] **Darren Jones** (Bristol North West) (Lab): The Information Commissioner has fined Facebook for its involvement in the Cambridge Analytica scandal, and the Electoral Commission has concluded that the leave campaign broke electoral law. Is now not the time to set up a judge-led inquiry into the Brexit referendum? If the British people have been duped by Brexit shysters, they deserve to know about it.

**Mr Lidington:** The Information Commissioner's report has only just been published, and the Government will want to consider its recommendations in detail before responding. However, I think that the hon. Gentleman's point focused on the possible commission of criminal offences. We are in a country in which, rightly, it is not for Ministers either to initiate or to stop criminal investigations or potential prosecutions. When there is evidence, it should be drawn to the attention of the police and the prosecuting authorities, and then let the law take its course.

Q14. [906395] **Julia Lopez** (Hornchurch and Upminster) (Con): I do not consider myself to be a Brexiteer, but two years ago, when asked to make a choice about the future direction of the country that I love, I voted to leave the European Union, knowing that that would be difficult but believing that our nation could make it work. I was not alone, and I have now been joined by those who voted remain and wish to respect our democracy. Does my right hon. Friend agree that across our continent people are feeling dangerously ignored, and that if democracy is to mean what we all thought it did, tomorrow's White Paper will show that we in Britain, at least, will not deny the instruction that our people have given us?

**Mr Lidington:** My hon. Friend is right. I think that those of us who campaigned on the remain side need to respect the decision that the people of the country took, and to ponder the damage that would be done to what is already fragile confidence in our democratic institutions were that verdict to be ignored. I am confident that when my hon. Friend reads the White Paper tomorrow, she will see that we have a vision for a future relationship that will meet the vote that the people delivered.

Q9. [906390] **Julie Cooper** (Burnley) (Lab): I am sure the Minister will want to join me in thanking hospices across the country for the fantastic work they do supporting the terminally ill and their families, and especially the Pendleside Hospice, which supports my constituents, but is he aware that over the last eight years average Government grants have been cut from 32% to 20%, and that as these charities are outside the "Agenda for Change", they are not eligible to apply for



funding to cover the NHS pay award? Will he today give a commitment that the Government do value the work of hospices and will he step in to get some extra funding to cover this award?

**Mr Lidington:** I am very happy to pay tribute to the work done at the Pendleside Hospice and hospices around the country. It is important that we see hospices as a very important element on a spectrum of palliative care and care at the end of life, which takes place sometimes in a hospice setting and sometimes in other settings. My right hon. Friend the Health Secretary will of course now be considering with the NHS leadership how to deliver on the ambitious long-term funding arrangement that the Government recently announced, and I am sure he will bear the hon. Lady's comments in mind.

Q15. [906396] **Mrs Sheryll Murray** (South East Cornwall) (Con): Cornwall gets back some of our money from the EU in regional aid. Much of that money was, and is, used to invest in agrifood, in which I believe Cornwall is a world leader. How will this investment be able to continue without falling foul of state aid rules in this sector when the Government have said there will be a common rulebook?

**Mr Lidington:** I confirm that any investment that is legally able to be made within state aid rules now would be able to continue in the future, and any United Kingdom funding for money currently received as EU regional aid would comply with those same state aid rules going forward.

Q11. [906392] **Nick Smith** (Blaenau Gwent) (Lab): Members of my family were either killed or badly injured working in the coalmines of the South Wales valleys. We owe all of our miners a debt of gratitude, yet in recent years the Treasury has raked in billions of pounds from their pension schemes, so will the Chancellor meet me, retired miners and coalfield community MPs to fix this injustice?

**Mr Lidington:** We certainly recognise the hard work and incredible risks that miners took in the hon. Gentleman's constituency and many others. The important thing about the miners' pension scheme is that it should pay out all the promised benefits in full. My understanding is that the scheme is funded to do just that and that no former miner will lose out.

**Amber Rudd** (Hastings and Rye) (Con): The UK and the US have a uniquely strong relationship when it comes to security and intelligence services, the results of which regularly save lives not only in the UK but across Europe. May I ask that when our right hon. Friend the Prime Minister meets President Trump, she thank him for that relationship and the results of it, but might also take the opportunity to share with him the many instances that I know my right hon. Friend the Minister for the Cabinet Office knows about, where it is UK intelligence and UK security services that have saved lives in the US?

**Mr Lidington:** My right hon. Friend is absolutely correct: the intelligence sharing and other security co-operation we have with the United States have saved lives in both countries, and it is vital to both our interests that those relationships continue.

**Caroline Lucas** (Brighton, Pavilion) (Green): My constituents in Brighton are, sadly, used to chaos from Govia Thameslink Railway, but the last seven weeks have been a new level of rail hell. Since the GTR franchise is, effectively, run by the Department for Transport, will the right hon. Gentleman shake up the Government so that they finally take some action and show some leadership: action in restoring the Gatwick Express services at Preston Park, which have inexplicably been slashed, and leadership in getting rid of the hapless Transport Secretary? The Prime Minister has been reshuffling her Cabinet over the last week; will she reshuffle it a bit more and get that Transport Secretary replaced by—

**Mr Speaker:** Thank you very much indeed.

**Mr Lidington:** As regards GTR, improvements are simply not happening quickly enough, despite the assurances that the operators have given. We have launched a review of Govia Thameslink, which will report in the next few weeks. If those findings show that Govia is at fault, we will not hesitate to take action, whether through fines, restricting access to future franchises or stripping it of the franchise. Passengers deserve a far better service than they are getting at the moment, and we will hold those operators to account.

**Mr Richard Bacon** (South Norfolk) (Con): Albania has one of the highest rates of honour killing in Europe. Will the Government look very closely at the case of Mrs Emiljana Muca, who was staying in the constituency of the hon. Member for Norwich South (Clive Lewis) and is now, thanks to the generosity of her therapist, staying in the therapist's own house in south Norfolk to reduce the risk of self-harm? If she were to be deported to Albania, possibly as early as tomorrow, she might be the victim of an honour killing.

**Mr Lidington:** Obviously I do not know all the details of this case, but I am aware that this issue has brought together my hon. Friend, the hon. Member for Norwich South and my hon. Friend the Member for Mid Norfolk (George Freeman). The Home Secretary or the Immigration Minister will be happy to meet the Members concerned to discuss the case.

**Mr Speaker:** I call Clive Lewis. [Interruption.] Well, that is a great self-denying ordinance on the part of the hon. Gentleman. He says that his question has been answered and that he is therefore satisfied. If that were a template for the House as a whole, just think of the possibilities!

**Laura Smith** (Crewe and Nantwich) (Lab): Will the Minister explain what the Prime Minister's Brexit proposals would mean for those working for two of the largest employers in my constituency, Bentley Motors and the NHS?

**Mr Lidington:** It would be very good news for both of them. In particular, the automotive industry has been arguing for months that we need a deal that ensures frictionless trade with the EU27, and that is what the model we are proposing will deliver.

**Neil O'Brien** (Harborough) (Con): I strongly welcome the extra £20 billion and the long-term plan for the NHS, but does the First Minister agree that, at a time when local authority budgets are under pressure, it would be attractive to have more pooling of budgets between health and social care?

**Mr Lidington:** It is important that the national health service and local authorities work closely together to ensure that community-based care, funded from whichever source, is effective and meets patients' needs. I know that the new Health Secretary, like his predecessor, is determined to take that forward further.

**Mr Dennis Skinner** (Bolsover) (Lab): Is the Minister aware that his Government have already taken more than £3.5 billion out of the miners' pension? They are like Philip Green and Maxwell put together. Stop stealing the miners' pension!

**Mr Lidington:** The benefits due from the pension scheme to all former miners have, as I understand it, been paid in full and continue to be paid in full, and the scheme is fully funded to meet those commitments into the future.

## Afghanistan

12.48 pm

### **The Secretary of State for Defence (Gavin Williamson):**

With permission, Mr Speaker, I will make a statement on Afghanistan. The United Kingdom will never forget the 9/11 terrorist attacks and the thousands of innocent women, men and children killed in the atrocity. That barbaric violence prompted the UK, alongside our NATO allies, to enter Afghanistan to ensure that terrorists could not use it as a base from which to attack our citizens at home or abroad.

Before I continue, I want to pay tribute to the efforts of the tens of thousands of brave British men and women who have served in Afghanistan for the past 16 years. We will never forget what they did, particularly those 456 brave men and women who paid the ultimate price and those who suffered life-changing injuries in the line of duty. Their service and sacrifice has not been in vain. As I saw when I visited back in March, not only do millions of ordinary Afghans now have access to clean water, vital medicine and education, which would not have seemed possible less than 20 years ago, not only have they enabled the Afghan people to take charge of their own security, and not only is the capability of the Afghan National Defence and Security Forces growing, but elections are giving a voice to the people of Afghanistan, who are increasingly calling for peace, which would have been unthinkable a short time ago.

Our commitment to Afghanistan remains an enduring one. Although UK combat operations ended in 2014, our troops are playing a key role in NATO's Resolute Support mission by leading the Kabul security force. They are performing a vital role in training, advising and assisting the Afghan national army and air force and developing the nationwide security structures that will strengthen Afghanistan's democracy. They have a quick reaction force that works alongside the Afghan army to provide urgent help in Kabul if and when required. They also continue to work alongside their Afghan, Australian, New Zealand and Danish partners to mentor staff at the army officer academy. Since opening in 2013, the academy has held 11 graduations, and more than 3,000 high-quality officers have passed out of that great institution, which is modelled on our Royal Military Academy Sandhurst. They are making a genuine difference in helping the Afghan National Defence and Security Forces to maintain security and keep its citizens safe.

The momentum is with the Afghan forces, and the Taliban cannot win militarily. Ultimately, Afghanistan's only chance for a better long-term future is through an Afghan-led peaceful negotiation, and significant progress is already being made. The UK welcomes the Government of Afghanistan's offer to start a discussion on a political process with the Taliban, supported by the recent ceasefire. It is encouraging to see bilateral relations with Pakistan improving, which will help to build wider stability in the region. Critically, parliamentary and presidential elections are to be held over the coming 12 months, giving ordinary people the chance to shape their nation's destiny very much for the better.

However, despite the growing confidence of the Afghan forces, atrocities such as the appalling attack against the Intercontinental Hotel at the start of the year, which

killed 42 people, demonstrate that the insurgency has proven resilient. It still controls parts of Afghanistan and continues to conduct brutal suicide attacks, killing innocent people. Of equal concern is the fact that terrorist groups such as Daesh are seeking a foothold in the region in order to conduct operations against Britain and other nations. Given the upcoming elections and efforts by the Afghan Government to reach a political settlement, NATO has recognised that now is a critical time to give extra support.

So, in response to a NATO request and in recognition of the professionalism and competence of our armed forces, I can announce today that we will increase the number of troops to support our existing mission, sending an additional 440 personnel in non-combat roles to take the total UK contribution to around 1,100 personnel. That will make the UK the third largest troop contributor to the NATO operation. Around half of the 440 additional personnel will deploy in August, and the remainder will follow no later than February next year. The additional soldiers will initially deploy from the Welsh Guards, which already provides the UK's contribution to the Kabul security force.

Today's decision underlines our commitment to the people of Afghanistan. It will help to strengthen the institutions that preserve Kabul's security and enable the Afghan-led peace process to develop. It will also send a signal to the Taliban that we will not abandon this proud nation and that they cannot simply outwait our departure. It also shows our commitment to NATO, which must remain the cornerstone of our defence in a darker more unpredictable world. Above all, however, it reiterates Britain's commitment to strengthen the security of our nation. History teaches us that the prize of a more secure Afghanistan is peace and security for all. I commend this statement to the House.

12.55 pm

**Nia Griffith (Llanelli) (Lab):** I thank the Secretary of State for his statement and for advance sight of it and join him in paying tribute to all the servicemen and women who have served and are serving in Afghanistan. We remember the 456 men and women who made the ultimate sacrifice there and those who continue to live with injuries sustained during the conflict. We commend the courage shown by our Afghan partners who work under the constant threat posed by insurgents.

As alliance leaders gather in Brussels today, we reaffirm our commitment to NATO and to the range of operations that it supports around the world. The UK has always played its full part in contributing to NATO missions, and we currently have personnel deployed in Kosovo and in Somalia, as well as on the Resolute Support mission. It is right that the skills and professionalism of our armed forces can be used to benefit our partners in Afghanistan by training Afghan forces to the same high standards.

May I ask the Secretary of State for some further detail on today's announcement? Will he outline the planned timetable for our troops to remain in Afghanistan? Our armed forces have a range of technical skills, so will he say more about the specific work that they will be undertaking? Will the training offered to our Afghan partners focus on specialist activities or continue to be more general? As the Secretary of State will be aware,

[*Nia Griffith*]

there has been some recent concern about the eligibility rules for operational allowances, so will he confirm that troops will continue to receive the allowance for their work in Afghanistan? The Resolute Support mission currently comprises some 16,000 personnel from 39 NATO member states and partners, so will the Secretary of State set out what discussions he has had with NATO allies about upping their commitment to the mission?

The work of the armed forces in Afghanistan must of course form part of a wider strategy to promote good governance there, so what discussions has the Secretary of State had with the Foreign and Commonwealth Office about how it and the Ministry of Defence can support one another? We welcome the U-turn in Government policy on locally employed staff, such as interpreters or drivers, whose work in Afghanistan has been vital to the UK and NATO's efforts in the country, so will he update the House on the progress that his Department has made on that issue?

Members across the House support the important work of our personnel in Afghanistan, recognising it as part of the process towards reaching a lasting peace settlement, but we must also be clear that the work is quite distinct from the combat operations that ended in 2014. So, finally, will the Secretary of State confirm that the additional troops will be there for training, not in a combat role?

**Gavin Williamson:** The hon. Lady raises several important points. We want to be in Afghanistan to ensure that we get the right outcomes for the peace process, and it is not possible to put a date on when that will be concluded. However, we continue to work closely with all our allies in the NATO coalition and, most importantly, with the Governments of Afghanistan and Pakistan to try to promote the peace process and bring it forward as rapidly as possible. Work will be undertaken with the Kabul security force, which we have been leading. There is a rapid reaction force element that will support Afghan forces if there are incidents. We have a force there, but it is very much there to support Afghan forces.

All personnel will be in receipt of operational allowance, which is important when we ask service personnel to put themselves in harm's way. They do such an important and valuable job. I re-emphasise that our work not just with the FCO but with the Department for International Development and other organisations across the international sphere is pivotal in bringing a peaceful resolution to Afghanistan.

**Dr Julian Lewis (New Forest East) (Con):** I understand that this deployment sends a very strong signal, as my right hon. Friend put it, to the Taliban that they will not be allowed to win, but does it send a sufficiently strong signal to the Treasury—an even more formidable opponent—that an uplift in the defence budget towards 2.5%, and eventually 3%, of GDP is necessary to fund our global role adequately?

**Gavin Williamson:** We are very much focusing on the Taliban with this announcement, which goes to show how Britain can make a difference in the world. We talk about global Britain, and this is a brilliant personification of how we can make a difference in different nations. It

is to our armed forces that our nation so often turns. Whether in dealing with the recent difficulties in Salisbury or in Afghanistan, it is our armed forces that have the capabilities, the knowledge and the ability to deliver consistently for this nation.

**Stewart Malcolm McDonald (Glasgow South) (SNP):** I, too, thank the Secretary of State for advance sight of his statement. I associate myself with his comments on the personnel and, of course, I extend our thoughts to their families, who I am sure will be having a tough time following this announcement.

May I press the Secretary of State slightly on the timetable? I am not looking for a date or a specific length of time for how long he thinks this increase will last but, in general, does he view this as a long-term or a short-term increase?

May we also have regular updates on Afghanistan? Afghanistan is one area of the world on which attention has perhaps fallen back. We regularly have updates in the Chamber on Syria, which is extremely helpful, and such updates might help us with Afghanistan, too.

The online community through which Daesh spreads its poison is clearly a massive problem. Can the Secretary of State give us any indication as to whether the training and resources going to Afghanistan will be used to seek to tackle Daesh's online presence to prevent its poison from spreading and gaining the foothold that none of us wants to see?

Finally, on the political process and the offer of talks between the Afghan Government and the Taliban, can the Secretary of State lay out, in general terms, how hopeful he is that those talks will be successful? Where are we in the political process right now?

**Gavin Williamson:** A number of those questions almost interrelate, especially the hon. Gentleman's first and last questions. We will not prejudge the timetable, and we will continue working with other NATO allies. We constantly review our force structure not just in Afghanistan but in Operation Shader in Iraq and Syria. We will be constantly reviewing this, and we will be trying to encourage other allies to continue contributing. We have already had discussions with other partners. There will be a conditions-based approach to how long our forces remain there, but in my discussions with the Afghan Government, and in the previous Foreign Secretary's discussions, there has been a real willingness and eagerness to try to sit around the table.

This was the first time we have ever seen a ceasefire during Ramadan, and it was a very short ceasefire, but it was a chink of light, and it showed that progress can be made. It is important not just for Great Britain but for other nations to support the Afghan Government at this critical time in seizing the opportunity for peace.

**Sir Michael Fallon (Sevenoaks) (Con):** Although the increase in non-combat support is welcome, and the sacrifice of our own troops there should never be forgotten, should we not also acknowledge the massively greater contribution of the United States to the support of that very fragile democracy, and put on record this week our thanks to President Trump for the increase in United States troop numbers and missions, which help the operations in Afghanistan that help to keep us safe from the threat of transnational terrorism?



**Gavin Williamson:** My right hon. Friend makes a very important point about the role that the United States has played in doing so much to bring about and promote stability in Afghanistan, and to deal with terrorist threats that can manifest themselves at home. I put on record our appreciation not just for President Trump, but for US Defence Secretary Jim Mattis and for General Nicholson, who has taken such an important and pivotal leadership role in dealing with the insurgency in Afghanistan over the past few years.

**Vernon Coaker (Gedling) (Lab):** In supporting the Defence Secretary's statement and the remarks of my hon. Friend the Member for Llanelli (Nia Griffith), I urge the Defence Secretary to redouble his efforts to explain to the British public why we are doing what we are doing, and how it impacts on the security of our citizens in this country. There is a lot more to be done on that. I know that he is trying, but I urge him to redouble his efforts to explain it to the British people.

**Gavin Williamson:** The hon. Gentleman is absolutely right, because an unstable Afghanistan leads to threats here in Britain. We saw how the ungoverned spaces that developed in Iraq and Syria were used to promote terrorist attacks on the streets of Britain. We have to deal with that at source, and we will do everything we can to explain to the British people the threat that such an Afghanistan presents.

**Tom Tugendhat (Tonbridge and Malling) (Con):** Those of us who served in Afghanistan for many years saw the importance of the coalition of the willing, as it was then. Does my right hon. Friend agree that NATO has provided the fundamental underpinning of not just the security of Afghanistan, but our own security? As the summit starts in Brussels today, this is the moment to remember that the only time the article 5 guarantee has been invoked was when the United States was attacked on 9/11. We are therefore essentially reinforcing not just our own security, nor indeed just the security of the people of Afghanistan but, fundamentally, the security of the people of the United States.

**Gavin Williamson:** The NATO alliance has served every nation incredibly well, and my hon. Friend is right to point out the fact that article 5 has been invoked on only that one occasion following the 9/11 attacks. We must not underestimate the value or utility of NATO, and we must continue to invest in its future to keep us all safe.

**Ruth Smeeth (Stoke-on-Trent North) (Lab):** As ever, we owe a debt of gratitude to our armed forces and their families who will be supporting them during this deployment. As the NATO summit continues, what efforts are being made to encourage our other NATO allies to increase their own commitments?

**Gavin Williamson:** As soon as I complete this statement, I will be going to Brussels to have numerous bilateral meetings with our many NATO allies. We need to hammer home the message that, for NATO to work, we all have to invest in it. We cannot expect one country to carry the burden all the time. We all have to show that willingness to invest. The Prime Minister will be sending

that message, and the United States will also be sending that message. I think that the message is starting to get through.

**Dame Cheryl Gillan (Chesham and Amersham) (Con):** I thank the Secretary of State for delaying his arrival at NATO to make this important announcement himself from the Dispatch Box. I believe this is the largest deployment he has authorised since becoming Defence Secretary.

I share with everybody in the Chamber a great respect for the Welsh Guards, in particular—they will be playing a significant role. Does my right hon. Friend recognise the role that UK aid has played over the past few years, particularly in the education and training of young women and teachers? Do not the role of UK aid and that of our services personnel complement each other in helping to make Afghanistan a more stable country?

**Gavin Williamson:** My right hon. Friend is correct to say that UK aid and our security forces have to work hand in glove in order to build a viable future for Afghanistan. We have to promote prosperity and education, and we have to support the Afghan Government in delivering an exciting and hopeful future for their people in order to have stability there.

**Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** May I remind hon. Members that one of my children is serving in the armed forces?

As the Secretary of State said, we will have 1,100 service personnel deployed in Afghanistan, some of whom will face lengthy deployments lasting months or perhaps even longer. By definition, that is stressful for them and their families. Will he therefore assure me that there will be a leave rota in place that will ensure that these people can come home to their families on a regular basis during their deployment in Afghanistan?

**Gavin Williamson:** We will work closely with the families federations to ensure that that happens. If someone is on a six-month tour, they have the ability to come back for two weeks during that tour. Someone on a nine-month tour has the ability to come back for two sessions of two weeks. Obviously, we will be working with all forces to ensure that that is made available to people.

**Sir Edward Leigh (Gainsborough) (Con):** I welcome the statement that our involvement is limited to training. Will the Secretary of State assure the House that there will be no mission creep and no return to combat duties? Drawing hard on the positive scenes in Kabul during the ceasefire, which were inspiring for ordinary people there, will he say, on behalf of Her Majesty's Government, that we should increase our efforts to encourage the political process and try to get the two sides talking to each other, as that is the only way we are going to get peace?

**Gavin Williamson:** I have been clear in my statement about our commitment. We do not have any intention to change what we are doing, as outlined in my statement. The point is that we all want to find a peaceful solution for Afghanistan, and that is why we will continue to support the Afghan Government in reaching that peaceful solution.

**Jessica Morden** (Newport East) (Lab): What is the Secretary of State doing with the Home Office to address the issues faced by the Afghan interpreters who have settled here under the Government's scheme, but are now facing real difficulties in being reunited with their families here because of the normal spousal visa rules? The work of those interpreters was crucial and dangerous, and they deserve better.

**Gavin Williamson:** As a Department, we have consistently worked closely with the Home Office to ensure that any issues brought to our attention have been resolved. We made a change in our policy just a few weeks ago that we hope will be of further assistance to more of those people who helped and supported the British armed forces. We will continue to review that and provide what help we can.

**Sir Desmond Swayne** (New Forest West) (Con): When I chided President Ghani over his lack of co-operation on the return of failed asylum seekers, he told me that as a war president his priority was the young men and women taking the fight to the Taliban, rather than those who had run away. It was a fair point, was it not?

**Gavin Williamson:** We recognise the enormous contribution that so many people made—not just those working with British forces, but the Afghan security forces, who are taking the fight to the insurgents every single day. I am talking about not just the Taliban, but Daesh and other states that seek to extend their influence into Afghanistan.

**Mr Gregory Campbell** (East Londonderry) (DUP): May I associate myself and my colleagues with the Secretary of State's tribute to those who made the supreme sacrifice, including many from Northern Ireland—I think of several from my constituency? Given the deployment that is about to take place, what steps will he take to ensure that other nation states will share skills and training, as we obviously have, so that there is better future for everyone in Afghanistan?

**Gavin Williamson:** This is very much a coalition effort. Last year, a number of nations stepped up to increase their effort and deployment in Afghanistan, and we will be pushing this point going forward. We want all nations to make a larger contribution to this NATO mission, and we very much hope to lead by example.

**Leo Docherty** (Aldershot) (Con): Will the Secretary of State join me in thanking members of the 1st Battalion the Grenadier Guards from the Aldershot garrison for their continued contribution to the security and stability of Kabul? Will he tell the House his assessment of the link between the Taliban in Afghanistan and elements of Daesh?

**Gavin Williamson:** I certainly wish to thank all those tens of thousands of service personnel who have contributed to efforts to make sure that Afghanistan is not a safe place for terrorism. As for the link between the Taliban and Daesh, we are seeing more and more Daesh fighters heading from Iraq and Syria into Afghanistan. That is why we need to be making these moves to ensure that they do not create a space in which they are able to operate.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): When I was watching yesterday's fantastic RAF 100 celebrations, I thought very much of the brave RAF pilots with whom I was lucky enough to be flying when I visited Afghanistan in the middle of the conflict. They played an incredible role and we should pay tribute to them. I am also delighted to see the Welsh Guards playing a crucial role in this new deployment. Will the Secretary of State give us clarity on the breakdown of reserves versus regulars in this deployment? What steps does he think will need to be taken to protect civilians, humanitarian workers and minorities in Afghanistan, as we have seen some horrendous attacks against the Hindu, Sikh and other minority communities, which is a point raised by my constituents? What role will this deployment play in increasing stability and security?

**Gavin Williamson:** We see this deployment as a vital part of increasing stability and security, giving the Afghan forces the confidence to be more forward leaning in dealing with threats, but it is the political process that is so vital. This is about the Afghan Government sending the clear message that they are a Government who represent every part of Afghanistan, and can deliver peace and justice there. The reserves are such an integral part of everything we do. This deployment will be comprised predominantly of regulars, but many, many reservists will be part of it. I will write to the hon. Gentleman to provide further clarity on the breakdown of the numbers.

**Bob Blackman** (Harrow East) (Con): British forces are renowned for not only their military capability, but their ability to capture hearts and minds. Will my right hon. Friend therefore further explain our objectives and also tell us the expertise we will apply that is unique to Britain?

**Gavin Williamson:** We have been pivotal to creating the ethos and template for the Afghan military academy, giving the country's armed forces the skills, training and knowledge they need to be able to command forces in often hostile and difficult environments. Those skills, along with what we will bring in terms of command to the Kabul security force, will be vital, because people turn to us as a nation that has an understanding of Afghanistan and the ability to lead other nations.

**Christine Jardine** (Edinburgh West) (LD): Towards the end of his statement, the Defence Secretary described NATO as a "cornerstone" of our defence in dark and unpredictable times, and he also underlined our commitment to NATO. Will he assure us that that sentiment will be impressed upon the US President at the NATO summit this week? Will he assure us that we will stand by ready to defend our allies in NATO against any vocal attacks?

**Gavin Williamson:** The unity of allies is the greatest strength of NATO, and I am sure that everyone will sign up to that message.

**Robert Courts** (Witney) (Con): I briefly worked in New Zealand, so I am very conscious of the ties between our two countries. Although NATO is the cornerstone of our defence, will the Secretary of State comment on the importance of the wider military alliance?

**Gavin Williamson:** We have a deep and enduring relationship with not only New Zealand, but all “Five Eyes” nations. We are seeing a deepening of that relationship in terms of not just operations, but the sharing of capabilities. Of course, we had the great news of the purchase of Type 26 frigates by the Royal Australian Navy. I was speaking to my counterpart in New Zealand just at the weekend, and we are looking at how we can operate more together to deal with the threats that are emerging in the world.

**Jonathan Edwards** (Carmarthen East and Dinefwr) (PC): I echo the comments of other Members who have expressed our thoughts for the families of the Welsh Guards facing deployment.

Yesterday, frustrated by the lack of progress, the US Administration announced that they were going to conduct a comprehensive review of their Afghanistan strategy. The Secretary of State will be aware of Trump’s initial policy to withdraw from Afghanistan when he assumed the presidency. Given that we have now been at war in Afghanistan for 17 years, does this latest deployment indicate that in reality the current strategy is failing?

**Gavin Williamson:** Over the past few years, we have seen the United States commitment to Afghanistan grow, along with the pressure that it is putting on other partners to contribute to a political solution. The true solution to the situation in Afghanistan is a political process, and that is what we, NATO and the United States are promoting.

**James Heapey** (Wells) (Con): Just over 13 years ago, I deployed to Kabul on my first Afghanistan tour, and I found it very rewarding indeed. I wish the Welsh Guards well. The frustration during that first tour was the imbalance in commitment and risk appetite between the NATO countries that made up the Kabul Multinational Brigade. Does the Secretary of State agree that it is not just numbers and budgets that underpin NATO, but member states’ willingness actually to deploy their troops with rules of engagement and a risk appetite that allows them to contribute fully to alliance operations?

**Gavin Williamson:** My hon. Friend is absolutely correct in his assessment of what is needed for resolute support work and to operate in the best possible way. We need those common rules of engagement, and we have to be forward-leaning to ensure that we give the Afghan Government as much support as is needed.

## National Health Service

*Motion for leave to introduce a Bill (Standing Order No. 23)*

1.21 pm

**Eleanor Smith** (Wolverhampton South West) (Lab): I beg to move,

That leave be given to introduce a Bill to re-establish the Secretary of State’s legal duty as to the National Health Service in England and to make provision about the other duties of the Secretary of State in that regard; to make provision for establishing Integrated Health Boards and about the administration and accountability of the National Health Service in England; to make provision about ending private finance initiatives in the National Health Service in England; to exclude the National Health Service from international trade agreements; to repeal sections 38 and 39 of the Immigration Act 2014; and for connected purposes.

As we celebrate 70 years since the NHS was founded, it is a privilege to have the opportunity to present to the House this Bill on the reinstatement of the NHS. It was founded in 1948 by a Labour Government, who recognised that, as Nye Bevan said:

“No society can legitimately call itself civilised if a sick person is denied medical aid because of lack of means.”

The Bill honours that founding vision of the national health service.

In short, the Bill proposes to fully restore the NHS in England as an accountable public service. It is intended to give back to the Secretary of State for Health and Social Care the duty to provide services, including hospitals, medical and nursing services, primary care, and mental health and community services. It would integrate health services under the Secretary of State, while allowing the delegation of public health services to local authorities. The intent behind the Bill is to take private profits out of the NHS by abolishing the purchaser-provider split and repealing the competition and marketisation provisions in the Health and Social Care Act 2012. It is intended to make sure that the NHS is properly funded and ready to deliver the comprehensive care that people need now and in future.

The Bill is about getting private, profit-making companies out of NHS service provision, ending contracting out and reversing nearly 30 years of marketisation. It would end private practice and pay beds in NHS hospitals, and end contracts for GP services with commercial companies. It would create truly accountable local NHS planning, re-establishing public bodies capable of providing integrated services and accountable to local communities. The Bill would abolish NHS England, clinical commissioning groups, NHS trusts and NHS foundation trusts. It would scrap private finance initiatives and ensure that NHS assets and land remain in public ownership for future generations. The Bill is intended to make sure that no part of our NHS is up for sale, and would protect it from any forthcoming global trade agreement designed to asset-strip its resources.

For decades, core NHS values have been undermined. I was a nurse for 40 years before entering Parliament and saw this first hand. I was also a member of Unison and fought against it. We might hear that there is no privatisation because the NHS remains free, but believe me, it is being privatised. The fact that services are free to patients does not mean that they are not run by private companies for profit. That profit does not go



[*Eleanor Smith*]

back into the NHS. The money that we pay through our taxes should be spent on patient care and not go to shareholders. These are our hospitals, paid for out of our taxes and run by our NHS staff; they are not the Government's to give away.

The Government downplay the amount spent by the NHS in the private sector but, according to the NHS Support Federation, in the year to April 2017, some £7.1 billion-worth of NHS clinical contracts was awarded through an NHS tendering process. The 2012 Act forced NHS contracts out to competitive tender in the marketplace, allowing private companies to cherry-pick profitable NHS services. Since that Act came into force, spending on non-NHS providers has totalled around £25 billion. That undermines NHS services and affects staff pay and conditions. The Government line is that only a trivial 7.6% of NHS services are run privately. According to the NHS Support Federation, for-profit companies won £3.1 billion-worth of new contracts in 2016-17. That is 43% of the total value of those advertised. The number of contracts awarded to the private sector has increased sevenfold since the 2012 Act came into force.

Under current arrangements, clinical commissioning groups do not have to serve a particular geographic area and are not required to tend to all illnesses and conditions. This is not the NHS that I understand and love. In some areas, certain treatments—such as hip and knee replacements and cataract operations—are already being rationed. It is vital to reinstate the Secretary of State's duty, to provide the Government accountability needed to maintain a comprehensive NHS. An integrated structure would also mean we would have an opportunity to change the way social care is addressed. The NHS is for everyone, including the elderly and those with complex needs. Integrated health services and social services would be a welcome return to how the NHS previously gave care to those in need.

The Bill addresses the impact of the 2012 Act's raising of the amount of income hospitals were permitted to make from private sources. That has shot up from 2% to 49%, which means that an NHS hospital could choose to devote 49% of its resources to private patients. That could be 49% of its precious beds. Such a scenario is almost upon us. For example, the Royal Marsden, with beds used by both NHS and private patients, has seen its income from private patients rise by 105% to £91.1 million—nearly a third of its total funding. That cannot have happened without an impact on NHS patients.

NHS trusts are almost £1 billion in deficit, and it does not take much imagination to believe that NHS trust managers will see further increases in private patient

care as a solution to this dire situation. The impact on NHS patients is obvious: it is the very embodiment of a two-tier system. With this ideology directed at it, no wonder the NHS is in crisis. The road we are travelling on is leading to a much diminished service. It is leading to a US-style health insurance system. That is not what I signed up to in 1977 when I started my training; I signed up to provide love, support and care to patients and their families, treating them all equally, whether they had money or not.

The Bill would impose a duty on the Treasury to minimise—and, if possible, end—the expenditure of public money on private finance initiatives in the NHS. Government Members might come back at me and say that PFI was wholeheartedly embraced by the previous Labour Government; well, not by me, and not on my watch. I was with Unison, fighting PFI every step of the way. Ending expenditure on PFI would contribute to returning the NHS to its founding principle and signal a return to the public service ethos that the NHS is famous for and that drives everyone involved to deliver the highest standard of care.

As a former nurse who is immensely proud of the NHS, I thank and pay tribute to the many patients, nurses, doctors, trade unions and campaigners across the country who have worked tirelessly to combat its privatisation. I also pay tribute to my hon. Friends the Members for York Central (Rachael Maskell) and for Wirral West (Margaret Greenwood) and the hon. Member for Brighton, Pavilion (Caroline Lucas) for the work that they have done on this Bill. The Bill has been created with the Labour Front-Bench leadership team and we will continue to work together on its future development with campaigners, unions, professionals and stakeholders.

Although, apparently, Nye Bevan did not actually say these words, everything that he ever said and did suggests that he wholeheartedly believed in them:

“The NHS will last as long as there are folk left with faith to fight for it.”

I have that faith. I left nursing and entered politics to fight for the NHS and to help to save it.

*Question put and agreed to.*

*Ordered,*

That Eleanor Smith, Bambos Charalambous, Mr Jim Cunningham, Caroline Lucas, Luke Pollard, Jo Platt, Matt Western, Laura Smith, Stephen Timms, Thelma Walker, Mohammad Yasin and Dr Rupa Huq present the Bill.

Eleanor Smith accordingly presented the Bill.

*Bill read the First time; to be read a Second time on Friday 26 October and be printed (Bill 250).*



## Opposition Day

[16TH ALLOTTED DAY]

### The Secretary of State's Handling of Universal Credit

1.32 pm

**Margaret Greenwood** (Wirral West) (Lab): I beg to move,

That this House censures the Secretary of State for Work and Pensions, the right hon. Member for Tatton, for her handling of the roll-out of universal credit and her response to the NAO report, *Rolling Out Universal Credit*; notes that the Department for Work and Pensions' own survey of claimants published on 8 June 2018 showed that 40 per cent of claimants were experiencing financial hardship even nine months into a claim and that 20 per cent of claimants were unable to make a claim online; further censures the Secretary of State for Work and Pensions for not pausing the roll-out of universal credit in the light of this evidence; and calls on the Government to reduce the Secretary of State for Work and Pensions' ministerial salary to zero for four weeks.

The findings of the report "Rolling out Universal Credit" by the National Audit Office, published on 15 June, were damning: universal credit is failing to achieve its aims and there is currently no evidence to suggest that it ever will; it may cost more than the benefits system that it replaces; the Department for Work and Pensions will never be able to measure whether it has achieved its stated goal of increasing employment; and it has not delivered value for money and it is uncertain that it ever will.

The NAO report raised real concerns about the impact on claimants, particularly the delays in payments, which are pushing people into debt, rent arrears and even forcing them to turn to food banks to survive. The Secretary of State for Work and Pensions took nearly a week to come to the House to respond to the report on what is the Government's flagship social security programme and a major public project. When she did so on 21 June, on a Thursday when she knew that many Members would not be able to be here, she undermined the report rather than address the extremely serious issues that it raised.

Her approach was shockingly complacent. It was as though she was oblivious to the hardship that so many people are suffering. She referred to universal credit as an example of "leading-edge technology" and "agile working practices". She said that it was

"a unique example of great British innovation"

She said:

"Countries such as New Zealand, Spain, France and Canada have met us"—

the Department for Work and Pensions—

"to see UC, to watch and learn what is happening for the next generation of benefit systems."—[*Official Report*, 21 June 2018; Vol. 643, c. 491.]

I do hope that they will listen to the testimony given by our Members today.

**Simon Hoare** (North Dorset) (Con): I have listened to what the hon. Lady has said. My right hon. Friend the Secretary of State had the courtesy to come to the House to apologise. Mr Speaker accepted that apology. Has the Labour Front-Bench team the good grace to accept it, too?

**Margaret Greenwood:** I thank the hon. Gentleman for his remarks. He will be aware, and I will cover this further on in my speech, that she apologised for one of the three aspects for which an apology was necessary.

**David Hanson** (Delyn) (Lab): Last week, on 5 July, following my question at Work and Pensions questions on Monday, the Secretary of State said that she had made an error and wanted to report it to the House—as reported in column 500 of *Hansard*. Why does my hon. Friend think that it took 48 hours for her to come to the House when a written apology, or an apology on the Monday or Tuesday, could have done the job? Was it because the National Audit Office published its report at 11 o'clock on Wednesday?

**Margaret Greenwood:** My right hon. Friend raises such an important point. I was as shocked as he was to hear the Secretary of State say that it was when she had left the Chamber that she realised her mistake. She should have replied that afternoon. He is quite right on that point.

The Secretary of State adopted the same approach at Work and Pensions questions, as has been noted, leading the head of the National Audit Office, Sir Amyas Morse, to take the extraordinary step of writing an open letter to her, taking issue with a number of claims that she had made in response to the report. The three key claims that he took issue with were, first, that the NAO report said that the roll-out of universal credit should be speeded up; secondly, that the report

"didn't take account of changes made by the government in the Budget";

and, thirdly, that universal credit is working.

Let us just think about the significance of this. The National Audit Office is an independent body that scrutinises public spending before Parliament. It is responsible for auditing central Government Departments. Its reports matter. I shall take each claim in turn.

On 21 June, the Secretary of State stated on several occasions that the report had said that the Government should speed up the roll-out of universal credit. She repeated that claim at Work and Pensions oral questions on 2 July, when questioned by my right hon. Friend the Member for Delyn (David Hanson) and me. Of course, the NAO report does not say anywhere that the roll-out should be speeded up. In fact, it says very clearly that the Government should

"ensure the programme does not expand before business-as-usual operations can cope with higher claimant volumes."

**Ruth George** (High Peak) (Lab): This is an incredibly important point. Does my hon. Friend agree that, as we are seeing 100,000 households rolling on to universal credit this year and 200,000 next year, with 40% in hardship, we are talking about millions of real people, real families, whose lives are being affected by the speed of this roll-out?

**Margaret Greenwood:** My hon. Friend is absolutely right. This is an issue of the utmost importance and the Government must take note.

**Bim Afolami** (Hitchin and Harpenden) (Con): Does the hon. Lady accept that the NAO report does not take into account what my right hon. Friend the Secretary of

[*Bim Afolami*]

State and the Department have done recently in line with their “listen and learn” approach with the roll-out of universal credit?

**Margaret Greenwood:** I will come on to that point in my remarks.

**Sir Desmond Swayne** (New Forest West) (Con): The report, rather perversely in my view, complains that the roll-out has been too slow. Is it unreasonable for us to assume that it would like us to hurry up?

**Margaret Greenwood:** The right hon. Gentleman should go back and re-read the report.

On 4 July, the Secretary of State finally admitted that she had “inadvertently” misled Parliament in claiming that the roll-out should be speeded up. This matters not just because she admitted that she had misled Parliament, but, as I will explain later, because the Government have sharply accelerated the roll-out of universal credit since May and because, from next year it, they will start a managed migration of 3.9 million people on legacy benefits across to universal credit.

**Catherine West** (Hornsey and Wood Green) (Lab): Does my hon. Friend agree that the evidence on the use of food banks needs to be urgently looked at before the roll-out can continue?

**Margaret Greenwood:** My hon. Friend makes an absolutely pertinent remark. The prevalence of food banks in our society is a source of shame on this Government.

**Mr Jim Cunningham** (Coventry South) (Lab): We have to put this whole debate on universal credit in context. In at least two general elections, the Government said in their manifestos that they would cut £12 billion off the national health service. What we have is a benefit system that is tailor-made for cuts and not for the benefit of the people who receive it.

**Margaret Greenwood:** My hon. Friend makes an interesting point about cuts.

The Secretary of State's second claim was that the report did not take into account the impact of recent changes made by the Government. This is curious.

**Stephen Timms** (East Ham) (Lab): I agree with everything that my hon. Friend is saying. She has already quoted the National Audit Office report. From that quotation, does it not sound to her as though the NAO's view is that this project should be paused and fixed?

**Margaret Greenwood:** My right hon. Friend is absolutely right. I am going to make some progress now because there have been so many interventions, although I am pleased that so many people are here today.

The head of the NAO said clearly in his letter of 4 July:

“Our report was fully agreed with senior officials in your Department. It is based on the most accurate and up-to-date information from your department. Your department confirmed this to me in writing on...6 June and we then reached final agreement on the report on...8 June.”

The Secretary of State refused to back down and said again in a letter to the Chair of the Public Accounts Committee—my hon. Friend the Member for Hackney South and Shoreditch (Meg Hillier)—dated only yesterday that, although she had full confidence in the NAO and its head,

“that does not mean the Department will always agree with all of the judgements reached by the NAO.”

Will she tell us now, once and for all, whether or not her Department agreed the report with the NAO in writing on 8 June?

**Mr Iain Duncan Smith** (Chingford and Woodford Green) (Con): Will the hon. Lady give way?

**Margaret Greenwood:** I am not going to give way; I want to make some progress. Thirdly, the Secretary of State claimed—

**Mr Duncan Smith:** Will the hon. Lady give way?

**Margaret Greenwood:** I am not going to give way and I would point out that the right hon. Gentleman has called the report “shoddy”, so excuse me if I continue. Thirdly, the Secretary of State claimed that universal—  
[*Interruption.*]

**Madam Deputy Speaker (Dame Rosie Winterton):** Order. If the hon. Lady does not want to give way, it is completely up to her.

**Margaret Greenwood:** Thirdly, the Secretary of State claimed that universal credit is working.

**Simon Hoare:** On a point of order, Madam Deputy Speaker. Is it not a custom in this place, out of common courtesy, that when one hon. Member references another—either by name or by constituency—and that Member then seeks to intervene, the request is usually acceded to?

**Madam Deputy Speaker:** It is absolutely up to the hon. Lady whether to take any interventions. Hon. Members really should not be interrupting speeches with points of order over and again. It is becoming a bit of a habit, and not a very healthy one.

**Margaret Greenwood:** Thank you, Madam Deputy Speaker.

Thirdly, the Secretary of State claimed that universal credit is working. The head of the NAO said in his letter that this is unproven. The DWP's own survey of claimants under the full service published in June shows that just under half of all claimants were unable to register their claim online unassisted, a quarter were not able to submit their claim online at all and 40% were falling behind with bills or experiencing real financial difficulties, sometimes even nine months into their claim. A recent freedom of information request revealed that a fifth of universal credit claims are failing at an early stage because claimants are not able to navigate the online system. These people are likely to be among the most vulnerable in our society, and this Government are failing them.

**Anneliese Dodds** (Oxford East) (Lab/Co-op): My hon. Friend is making an excellent speech. Precisely on that point—which I have raised repeatedly with Ministers, but to no avail—does she accept that the Government's position of not allowing advice agencies to help people with their claims after they changed the implied consent

rules is shown to be completely bankrupt when such a high proportion of people cannot get their claims sorted out online?

**Margaret Greenwood:** My hon. Friend makes an important point.

**Mr Duncan Smith:** Will the hon. Lady give way?

**Margaret Greenwood:** I have three minutes of my speech left, so I will take no more interventions.

The Secretary of State claimed that the NAO report did not take account of the impact of recent Government changes. However, there have been no recent changes to support people in making and managing their claim online, and we know that the Government's universal support programme receives only limited funding. The payment delays that people are experiencing are shocking.

The DWP this week published figures on the length of payment delays for new claims due in February. The Library estimates that nearly 13,000 people were not paid in full on time and 7,500 people did not receive any payment on time at all. In December, two thirds of disabled people with limited capability for work were not paid in full on time, and last year 113,000 people—a quarter of new claims—were not paid in full on time. This is outrageous. Why were they not paid in full on time and what is the Secretary of State going to do about it? These are people on low incomes who often do not have any savings to rely on in these circumstances. The delays are causing real hardship for people, leading them to build up debt and rent arrears.

The Residential Landlords Association has made it clear that private landlords are increasingly reluctant to rent to people claiming universal credit. The National Housing Federation this week reported that nearly three quarters of housing association tenants in England claiming universal credit are in debt, compared with less than a third of all other tenants. The Government claim that no one should have to suffer hardship because advances are available, although, as the NAO said, the Government

“has not measured the impact on claimants or assessed how much hardship Universal Credit claimants suffer.”

Should it not be the Government's duty to understand the effectiveness of their own social security system?

Advances have to be paid back, often on top of debts for utility bills and council tax arrears built up while waiting for the initial payment. One of the Secretary of State's senior officials told the Public Accounts Committee on Monday this week that the average monthly repayment of £35 a week is “not eye-wateringly large”. Maybe not to him, but what about someone on very low income struggling to cope with basic household bills? I have received so much testimony from people up and down the country on this issue. I have heard stories of people being sanctioned because they have accompanied their mother to a cancer treatment session and stories of people with special needs not receiving the support that they should.

I put it to the Government that their policy of managed migration of just under 4 million people on legacy benefits across to universal credit that is due next year risks huge problems for the people who transfer. Although they will receive transitional protection, it will only last

for two years, and the DWP's current plan is that those people will have to make a new universal credit claim. This could bring chaos.

The NAO has made it absolutely clear that the Government should not expand universal credit until they are clear that the system could cope with higher claimant volumes. If the Government fail to get this right, there will be many people whose lives are made a misery by a benefit that is meant to support them. That is why the Secretary of State's inadvertently misleading claim that the NAO report says that the roll-out should be speeded up matters so much. Will she give an assurance that the Government will not start managed migration until it is clear that universal credit and her Department can cope with it?

Universal credit was created to simplify the social security system. Clearly, its complexity is so often defeating both claimants and the staff administering it. It was meant to lift people out of poverty; instead it is pushing many into debt. The Government claim that the Opposition are scaremongering whenever we raise issues about the suffering of our constituents. Well, the Residential Landlords Association, the National Housing Federation, Citizens Advice, the Child Poverty Action Group, the Joseph Rowntree Foundation, the Resolution Foundation and the Institute for Fiscal Studies have all raised major concerns about universal credit.

The Secretary of State repeatedly claims her Department is testing and learning, but this testing and learning is using people like guinea pigs. This is unacceptable. Where is the dignity? Her Government are causing hardship with scant regard for the devastation to families up and down the country. She must now take responsibility for the real suffering being caused by the roll-out of this flawed programme. She must call a halt to universal credit and put forward a credible plan to fix its many failings before many more people suffer.

**Madam Deputy Speaker (Dame Rosie Winterton):** The Question is as on the Order Paper. I call the Secretary of State.

1.48 pm

**The Secretary of State for Work and Pensions (Ms Esther McVey):** Madam Deputy Speaker, thank you for clearing that up—that we are discussing the Question as is on the Order Paper.

We are introducing a new benefits system to assist people into work in this new technological era—a system that will support people so that they can become more economically secure and progress in life. We are introducing universal credit to remove the problems of the old benefits system that we inherited and that put barriers in the way of people fulfilling their potential.

**Ruth Cadbury** (Brentford and Isleworth) (Lab): Will the Secretary of State give way?

**Nick Smith** (Blaenau Gwent) (Lab): Will the Secretary of State give way?

**Ms McVey:** I will not give way just yet, but I will in a moment.

There used to be the 16-hour rule, which we all know about. That barrier was stopping people working more hours, and then they would have to go through the disruption of coming off benefit to start another benefit.



[*Ms McVey*]

People on employment and support allowance could be faced with a choice between financial support and work, although we know that thousands of them would have liked to work as well. Once people were in work, they were too often caught up by another set of rules and hours for tax credits. Do we not all remember and know all too well the problems with tax credits, given the hundreds of thousands of letters that we received?

Universal credit cuts through all of that by bringing the six different benefits together and replacing them with a single system whereby claimants receive tailored support to help them into work—a system whereby claimants only have to deal with one organisation and a system that ensures that it always pays to be in work. This is what we are doing. Let me relay again how many people we have now helped into work since 2010—over 3.3 million people, or 1,000 more every day, through the support we are giving. The roll-out is slow. Where we need to slow down we have done, and where we have needed to make changes we have done.

**Several hon. Members** *rose*—

**Ms McVey:** I will give way, but I think we just need a moment to reflect. This is about getting people into work, and that is precisely what we are doing.

**Liam Byrne** (Birmingham, Hodge Hill) (Lab): The Secretary of State will remember that back in 2013 I warned that this was not a benefit that was ready for wide-scale roll-out. In my Birmingham constituency, we have the DWP telling my constituents that they cannot apply for housing credit through universal credit. They get sent to Birmingham City Council, which then sends them back to the DWP. There is still a level of chaos on the frontline that meant that one of my constituents told me that not only could they not afford to eat, she could not afford to put socks on her children's feet.

**Ms McVey:** And this from the man who said there was no money left. But to be fair, he actually has some honour, because that was correct.

Before we go any further—

**Several hon. Members** *rose*—

**Ms McVey:** Hang on, everybody.

The comments that are being made today are the comments that we had to check for accuracy, which were sent out to scare people just before Christmas. An email from the Labour party on 6 December said that “40,000 children will wake up in poverty on Christmas Day”.

It also sent out a video—checking the accuracy here—saying that

“millions of people are faced with poverty, debt and eviction as a result of Universal Credit”

and asking us to pause and fix universal credit. This went to the UK Statistics Authority, which said:

“It is clearly important that statements by a political party should be fully supported by statistics and sources... We do not believe”

they were. As I am in a generous mood today, will Opposition Front Benchers take this opportunity to apologise? They have not so far. It took me two days to apologise. Would they like to apologise?

**Margaret Greenwood:** Will the Secretary of State apologise for the two points she has failed yet to apologise for to the head of the National Audit Office?

**Ms McVey:** The answer is no, they will not be apologising.

As it is about apologies today—and, as I said, I made my apology straight away—let us go back to another apology. I was hoping that the shadow Chancellor would be here today, because I was waiting for years for an apology for the lynching comment against me. Of course, we never got that apology. As the Opposition spokesperson knows all about that campaign in Wirral West, perhaps she would like to apologise on behalf of her party.

**Margaret Greenwood:** The point that the Secretary of State makes had nothing to do with my campaign in Wirral West in 2015.

**Ms McVey:** So that is twice we have not had an apology from the Opposition.

I now move back to tax credits. Tax credits were introduced in 2003 with an error rate, I am told, of 10% to 14%. Some people call this Brown's burden—or maybe it is just Labour's burden. I offer this opportunity now: does anybody on the Opposition Front Bench want to apologise for those tax credits and the mistakes therein? Whether it is on scaremongering or on one of the reasons we brought in universal credit—the failings of the tax credits system—we see that nobody is prepared to apologise.

It is not that we cannot all make mistakes. We have all made mistakes on various scales. But for the only mistake I ever made in this House, I just apologised. Most people think you do that in everyday life, but in this House the Opposition do not apologise, whereas I am prepared to do so.

**Helen Whately** (Faversham and Mid Kent) (Con): A constituent of mine recently asked when they would be able to move on to universal credit because they had heard very good things about the support and flexibility it could provide. Is it not important to continue to roll out universal credit to give more people the opportunity to go on to a better benefit?

**Ms McVey:** My hon. Friend is quite right. She is referring to the real people who are going on this benefit who want an opportunity to have a chance. This is not about a politician who is here to oppose—and I understand that—but people who say, “We'd like to go on this new benefit and we'd like to have a simpler system.”

The motion on the Order Paper says that “20% of claimants” are

“unable to make a claim online”.

Well, I will break down the figures so that we all know what happened here. The claimants survey shows that 98% of people successfully make a claim online. Here are the figures that underpin that: 54% make their claim on their own; 21% had help from others, including organisations like Citizens Advice and family members; and 20%—I am assuming that this is the 20% the Opposition are talking about—had help from jobcentre staff. That is what this benefit system is about—people



need help and support. We know that some of them might not be able to use IT. We have brought in this system because in this modern age where technology is vital, people can only get a job if they can go online. We are now going to provide that universal support to allow people to go online. We have put £200 million into local authorities to help and support people with budgeting and IT. I will offer Opposition Front Benchers the opportunity to apologise for putting out this information. Would they like to take that opportunity now? It seems they are not doing to be doing that now.

I go back to the right hon. Member for Delyn (David Hanson) about fact checks in the Department and what happened there. He is looking for the timeline. I left here having checked what was going on. I then asked the Department to go through the various bits that we did together and said that there were various elements within the letter. That night, I checked it again, and so it was Tuesday when I asked for permission to come to the House. The timeline on which I was allowed to do it—he is quite right—was 48 hours later, but actually it was Tuesday when I asked to come to the House. I then met Amyas Morse on Monday and we discussed the various elements of the report. As I said, I have faith in the organisation—of course I do—but that does not mean that you always have to come to the same conclusion—the same judgments—from a report. I am rather surprised—or maybe not—that so many Opposition Members talk about auditors in another way. People can look at different sets of facts and come to a different result, which is what we did.

I said it was unfortunate that the NAO could not have taken into account all the impacts of those changes; that was not anything against the organisation. Those changes came in in January, February and April, so the NAO could not have taken them into account. I was not casting any aspersions on the organisation. It is interesting to note that paragraph 2.34 of the NAO's report says:

“It is too early to assess the impact of this change.”

It says that in the report. In that instance, which is what we were talking about, it was too early to have felt the impacts of all those changes, and that is the crunch of it. When I misspoke, I corrected myself, but the impacts of the changes could not have been felt.

**Catherine West:** I thank the right hon. Lady for giving way. What does she make of the evidence about people who have fallen off benefits and are not good on computers, one of whom is sleeping in a tent in a bin chamber on the Vincent Square estate in my constituency but now has to be moved on? These people have no help. They do not have what it takes for this difficult set of benefit rules.

**Ms McVey:** If people have fallen on hard times, we reach out to and support them. If that person is not getting the support, I ask the hon. Lady to work with me. We can go to the local jobcentre to see what has happened, because that is not right, and ensure that he gets his support and that we get him into housing and get him the benefits he needs. Rather than someone standing up and saying those things, let us work together, across the Floor of the House, to help that person who needs it. Is she prepared to work with me to help that person?

**Catherine West:** This is a matter for the public record. It has been on my Twitter feed in the last 48 hours. This is how people are living day in, day out—in a tent in a bin chamber.

**Ms McVey:** I asked the hon. Lady if she would work with me. All I needed from her—I could not have said it in a more imploring way—was a yes or no, and she felt unable to say yes. She should have said yes.

We have been through what this benefit is about and how it is supporting people. It is about having a work coach. It is about personalised support. It is about having a universal support package. It is about getting more people into work: as I have said so many times, 1,000 more people into work every day since 2010. That is what it is about. The prize will be a cultural shift in welfare. The impact has got to be positive for each and every one of us. It has got to be about getting more people into work. It has got to be about a simpler benefit system. As we proceed with the roll-out, we look, we learn and we change. Even since January, I have listened and learned, whether that was about kinship carers, 18 to 21-year-olds or the latest change for the severe disability premium.

When we brought in the changes at the Budget—£1.5 billion-worth of changes, or thereabouts—to remove the waiting time and offer extra support through a two-week run-over and the advance, the Opposition voted against that. They would have denied vulnerable people £1.5 billion and all those changes. I will ask them now: do they apologise for that? No. Again, we do not have an apology for not wanting those significant changes for disabled people.

**Sir Henry Bellingham** (North West Norfolk) (Con): I am grateful to the Secretary of State for giving way. She was talking about co-operation. Is she aware that in King's Lynn, the DWP has moved into local council offices and now has a fantastic open-plan office that is a centre of excellence for service delivery? I visited last week, and every person I spoke to was 100% supportive of universal credit. They cannot wait for it to be rolled out. They have had nothing but good experiences in the offices around the country that they have visited, so they support the Secretary of State 100%.

**Ms McVey:** I thank my hon. Friend for his comment.

This is what it is about, and I keep saying that. It is not about scaremongering. It is not about saying things even the UK Statistics Authority says is scaremongering. It is not about making people's journey to claim benefit even more difficult. We want to make the journey to claim benefit easier for people. While the Opposition would not apologise for voting to stop that £1.5 billion-worth of support, we now have changes coming through to support people through the severe disability premium. I want to ask the Opposition: will they be voting with the Government to make sure we support those people, or will they take a stance by voting against? We have no answer again.

**Neil Coyle** (Bermondsey and Old Southwark) (Lab): You took the disability premium away!

**Madam Deputy Speaker (Dame Rosie Winterton):** Order. Mr Coyle, calm down. Moderation and good temper governs our debate. You are not showing much sign of that.

**Ms McVey:** We are bringing in a new benefit system. We have helped 1,000 people a day into work since 2010. We have said that where we have got it wrong, we will change it and put it right, which we have done in instances where we felt it was wrong. The aim is to get people prepared for a modern technological age so that they can engage in work, and we will support people who cannot as best we can. That is what a compassionate party does—help people into work and support those who cannot work.

**Several hon. Members** *rose*—

**Madam Deputy Speaker:** Order. Before I call the spokesperson for the Scottish National party, colleagues will be aware that a large number of Members wish to speak, so I will have to impose a five-minute time limit immediately.

2.7 pm

**Neil Gray** (Airdrie and Shotts) (SNP): I will take that on board, Madam Deputy Speaker, and I thank you for your comments in this debate.

I should begin by welcoming the hon. Member for North Swindon (Justin Tomlinson) back to the DWP. Even though it contributed to his return to Government, there surely can be no one gladder of the Chequers version of “Deal or No Deal” than the Work and Pensions Secretary. For a few days, the pressure to fall on her sword was off her, as her extreme Brexiteer chums climbed the altar of vanity to fall on theirs.

But now we must return from the Brexit bubble theatrics to the real world, where we have this week another set of reports following hot on the heels of the National Audit Office report, all condemning the current incarnation of universal credit. The Secretary of State's position has been called into question, not just because of the failings of universal credit, but also because of her tin-eared response to the externally and expertly provided facts and criticism. I listened carefully to her speech just now, and it appears that there is still little contrition.

We come to the Secretary of State's response to the National Audit Office report, which is the subject of the motion before us. We know that the NAO report blew a hole as wide as the Clyde in the Government's defence of universal credit. The Government say that universal credit is about getting people into work quicker and will lead to 200,000 more people in work. The NAO says:

“The Department will never be able to measure whether Universal Credit actually leads to 200,000 more people in work, because it cannot isolate the effect of Universal Credit from other economic factors in increasing employment.”

The Government say that universal credit will be cheaper to administer and reduce fraud. The NAO says that the DWP

“does not know whether Universal Credit is reducing fraud”

and:

“It is not clear that Universal Credit will cost less to administer than the existing benefits system.”

The Government say they will save £8 billion from universal credit, but the NAO says that figure

“depends on some unproven assumptions”,

and that such benefits “remain theoretical”.

The NAO has directly contradicted the Government on the core aims of, and the central defences offered by the Government on, universal credit. It is therefore no wonder that the Secretary of State was so desperate to discredit the NAO on the Monday before last. For instance, in response to the question from the right hon. Member for Delyn (David Hanson) about the NAO recommending a pause in the roll-out, the Secretary of State said:

“The NAO made clear quite the opposite: it said that we need to continue with universal credit. It was also concerned that it was rolling out too slowly and said that actually we should increase what we are doing. So what the right hon. Gentleman says is absolutely not what the NAO said.”—[*Official Report*, 2 July 2018; Vol. 644, c. 8.]

Actually, the NAO report said that the DWP should:

“Ensure that operational performance and costs improve sustainably before increasing caseloads through managed migration. It should formally assess the readiness of automation and digital systems to support increased caseloads before migration begins, and ensure the programme does not expand before business-as-usual operations can cope with higher claimant volumes.”

These are not debating points; these are facts and quotes in black and white. We have a Work and Pensions Secretary who is either unable to grasp the facts or unwilling to accept them.

**David Hanson:** When the Secretary of State said that to me in the House, some of my constituents were watching the proceedings, and they believed that I was factually incorrect in my comments. The Secretary of State had an opportunity to apologise to me, but she has yet to do so in writing, and this was all before the NAO issued its report. The question for me, which I raised in my intervention earlier, is: why did the Secretary of State wait 48 hours to put the record straight?

**Neil Gray:** I take the right hon. Gentleman's point. The honourable thing for the Secretary of State to do would have been to apologise directly to him for what might have been a slur on his character and reputation.

This is important, because we are talking about the central—the flagship—social security policy of this Government, which has been criticised in report after report for failing those it should be helping. We are talking about people who are living in poverty as a result. Getting the facts wrong—not just failing on a debating point, but misquoting what is there in black and white—is very serious whichever way we cut it. The House should remember that the last Home Secretary, the right hon. Member for Hastings and Rye (Amber Rudd), recently resigned for something very similar.

**Michelle Donelan** (Chippenham) (Con): The hon. Gentleman talks about facts, but is it not a fact that 83% of claimants are happier on universal credit, and they are more likely to be in a job within the first six months? Is it not a fact that universal credit is an opportunity for people to get back into work?

**Neil Gray:** On the last point, the NAO entirely contradicted the hon. Lady's point. One fact I would relay back to her is that the Government's own figures—this is from the DWP—show that 40% of universal credit claimants are living in poverty and struggling to make ends meet. I hope she will consider that fact as we build

towards the autumn Budget, when I hope we can form a coalition around calling on the Chancellor to invest in universal credit.

**Mr Jim Cunningham:** The hon. Gentleman is making some excellent points. When we talk about getting people back into work, we lose track of the fact that people who have serious illnesses and will never work again are facing delays in their personal independence payments, but nothing seems to happen about it. I have a number of cases like that, and if the Secretary of State wants, I will send them to her so that she can see this for herself.

**Neil Gray:** The hon. Gentleman makes some very fair points. We of course know from the recent statistics published by the DWP that 59% of claimants impacted by the two-child policy on tax credits and by universal credit are already in work. These are facts, and the Government should be considering them.

This is not of course the first time that this Government have tried to dismiss evidence placed before them showing the failures of universal credit. When the Trussell Trust said that food bank use was higher in areas where universal credit had been rolled out, UK Ministers described its evidence as “anecdotal”. In actual fact, the evidence came from 425 food banks across these isles, delivering 1.3 million three-day food parcels a year.

This week, the four housing association federations of these isles have called on the UK Government to fix the “fundamentally flawed” universal credit system. With colleagues, I met the Scottish Federation of Housing Associations this morning, and it revealed the scale and linkage of debt with universal credit. It is startling, and it is evidence-based. Ministers have replied that issues with debt were complicated and could not be linked to a single source, in spite of the evidence in front of them saying that nearly three quarters or 73% of tenants on universal credit are in debt, compared with less than a third or 29% of all other tenants.

**Ms Angela Eagle** (Wallasey) (Lab): Will the hon. Gentleman give way?

**Neil Gray:** I will give way one last time, because I am conscious that others want to speak.

**Ms Eagle:** Does the hon. Gentleman see, as I do, a pattern of reluctance on the part of this Government to collect evidence and information precisely so that they can deny the effects of universal credit, and somehow pretend that the evidence that is accumulating is anecdotal?

**Neil Gray:** The hon. Lady is absolutely right. One of the central tenets of what the NAO called for in its report was that that type of evidence gathering needs to be done.

**Paul Masterton** (East Renfrewshire) (Con): Will the hon. Gentleman give way?

**Neil Gray:** I said that that was the last intervention I would take.

The evidence is there—it is in black and white—with the clear researched correlation between universal credit and housing debt. It is not even close; any responsible

organisation, never mind a Government, would look at that type of key performance indicator and say, “Right, how do we fix this, because it’s failing?” Why are this Government so determined to push back, ignore the evidence, plough on in the face of the evidence and pile more misery on more families? That is what is behind these statistics—people and families, such as the two constituents in tears at my Airdrie surgery a week past on Friday. For some reason, on universal credit this Government ignore the evidence and the lived experience, but are happy to deceive and never accept responsibility.

It is to responsibility that I turn in directly addressing the thrust of Labour’s motion. Labour has suggested that it tabled this motion to stop the Secretary of State’s salary for a month to replicate the experiences of people on universal credit who are sanctioned and, I suppose, so that the Secretary of State had a chance to make the same choices as those on whom she inflicts her policies, to paraphrase the right hon. Lady. The universal credit sanctions regime is utterly punitive, and in the words of the Joseph Rowntree Foundation, is akin to “destitution by design”. I was therefore hesitant last night, when contemplating the motion, about whether we should support it or rise above the deplorable conduct of the Secretary of State’s sanctioning regime. For the reasons I have already outlined, however, I think the Secretary of State should be considering her position.

Of course, a new Secretary of State will not necessarily fix the problems with universal credit. Perhaps the right hon. Lady could redeem herself by honouring the original concept of universal credit on which she worked, in a previous role, with the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith). He of course resigned because the Treasury was cutting universal credit to ribbons. In spite of this motion, I reiterate the calls I have made in the past about working with the Government to improve universal credit. I am sure all Members on both sides of the House would take such an opportunity should a genuinely listening ear be afforded to us.

Of course, the Government are not short of suggestions from expert agencies and the third sector. We have already heard about the suggestions of the NAO, which I have not actually heard the Secretary of State comment on or respond to. Those include improving the tracking and transparency of progress towards universal credit’s intended benefits, and working with delivery partners to establish a shared evidence base on how UC is working in practice, as the hon. Member for Wallasey (Ms Eagle) mentioned.

Housing associations have talked this week about issues, on top of the process improvements, that the Government could easily sort out, such as getting payments on time or allowing housing associations and other advocacy organisations to negotiate on behalf of recipients. Housing associations want implicit consent restored and the two-child limit and benefit cap to be scrapped, and they also want to see work allowances restored and the self-employed protected. At my meeting with the Scottish Federation of Housing Associations this morning, I was reminded of just how unusual it is for the four federations to campaign collectively on such an issue, given the devolved nature of housing policy. That is how seriously they see the threat of the further roll-out of universal credit without significant changes.



[Neil Gray]

We in the Scottish National party have talked about allowing people the choice of split payments, restoring work allowances to honour the founding principles of UC and sorting out the disability elements. This call has been echoed by Scope, which wants disability premiums to be restored. It says that, once the Government transitions run out, a single disabled person who receives the severe disability premium and is in the ESA work-related activity group could lose up to £4,745.40 a year on universal credit.

The point of universal credit was to make social security easier to navigate: it does not. It was supposed to be easier and cheaper to administer: it is not. It was supposed to make work pay: it does not. In reality, the cuts being made to universal credit may be saving the Treasury on the DWP budget line, but they will be costing it significantly more in other areas. With worsening mental health, it is costing NHS services. In increased requirement for conditionality and cuts to income, it is costing our local authorities in welfare rights officers and rent arrears. In allowing children to go hungry, it is costing our education outcomes.

Rather than working in silos, we need a new cross-departmental and cross-party approach, and we need that before universal credit reaches our largest cities, such as Glasgow, Edinburgh and Aberdeen, which are due to be migrated soon. The NAO stressed its concern about any further roll-out until the issues it raised are addressed. We agree. We have been saying so for years. So my appeal to the Secretary of State is to work across the House and with the third sector to take a strong coalition to persuade the Chancellor to invest in universal credit at the autumn Budget.

2.21 pm

**Derek Thomas** (St Ives) (Con): The only things that actually matter today are the life chances of people who have been failed for decades by the benefit system. People who have been trapped out of the workplace do not care two hoots for the politics on display here today.

In a previous life, I worked to support working-age people who had little or no opportunity of getting anywhere near the workplace and satisfying employment. Even those who had abundant talent and wanted to work dared not do so. They were locked out of paid work by the complete disruption getting a job would cause to their benefits, with weeks of no payment whatever until they were reassessed.

**Chris Green** (Bolton West) (Con): Will my hon. Friend reflect on the nature of his constituency? Some constituencies have a great many people earning a great deal of money, but that is not reflected in all constituencies.

**Derek Thomas**: My hon. Friend is right. I went into that work because in west Cornwall we have a significant number of people who could be described as vulnerable, some with severe learning disabilities, and who deserve the support and help that they are beginning to get today.

Under the benefit system that universal credit replaces, potential employers were encouraged to offer placements and pay people a pitiful £4 a day so as not to upset

their benefit payments. For years, the welfare system demonstrated loud and clear that large numbers of people had nothing to offer. It was not thought worth the effort to help them into work and they were abandoned indefinitely.

I accept that the roll-out of universal credit has had some significant challenges, which is no surprise, given the complexity of the benefit system it replaces. It is clear that more must be done. I want to thank my right hon. Friend the Secretary of State and her Ministers for the way they have engaged with Members who have taken specific cases to them. Ministers have engaged with those cases and worked hard to deliver them.

I secured a debate in Westminster Hall some time ago in which I asked the Government to look at the role of voluntary groups on the ground—they are at the coalface helping people—and, as a result, the dynamic purchasing system was introduced. I ask the Secretary of State to look at how well that is helping the charities that are working with those vulnerable people.

**Alex Chalk** (Cheltenham) (Con): When individual cases go wrong, of course they should be fixed. At a time of record low unemployment this country spends some £90 billion a year on working-age benefits—as it should—but to put that in context, that is more than double what we spend on schools. In those circumstances, does my hon. Friend agree that the suggestion that somehow resources are not being applied is wide of the mark?

**Derek Thomas**: I agree, and I know from my experience of working with some of those vulnerable people that they have untapped talents and skills. Employers want access to those skills, but all sorts of barriers have existed. They are beginning to be broken down now, enabling people to move away from the support my hon. Friend describes and giving them much more control over their lives.

More must be done to improve the roll-out and support families towards achieving greater independence, but the truth is that when the transition from the old system to universal credit is completed, many of the people I meet and have met much prefer the new system. I will continue to support my constituents to transfer to a benefit system that gives them greater control over their finances, and better and smoother opportunities in work and life chances.

My ask of the Government and my right hon. Friend the Secretary of State is that they ensure that local authorities and jobcentres use the resources they have, including the dynamic purchasing system, much more effectively to help all people who for so long have been locked out of the life chances that we want them to have.

2.25 pm

**Frank Field** (Birkenhead) (Lab): An apology: I was in the House when somebody repeated that campaign phrase against the Secretary of State. I was stunned by what was said, and I hope that she will forgive me for not getting up immediately to object to it. I apologise for my total failure to respond as a human being when that was said, and I hope that she forgives me if I do not actually recite what was said, because such nastiness

and evil is not directed just at her; it is directed at my hon. Friend the Member for Wallasey (Ms Eagle), the neighbouring constituency to the one that the Secretary of State fought. What is occurring is a disgrace. How we stop it, I do not know, but we can at least apologise when it occurs. I am grateful that the right hon. Lady raised it today so that my saying that would be in order.

**Ms McVey:** I know those words are heartfelt, and I accept that apology. It took a long time for people to come forward. I would have liked those on the Opposition Front Bench to have done so, because they represent the Labour party, and I know that such a thing is not at the heart of the Labour party.

We started off with a ding-dong in the Chamber today. I do not necessarily think that we are at our best in Parliament when we have a ding-dong like that. People watching outside do not understand the real reasons why we, on both sides of the House, came into politics. I put this on the record now: let us work cross-party to get universal credit right. Let us work with third sector organisations to get it right. Let us reach out and get it right, because it affects so many millions of people. We are doing our best, and lots more people are in work, but we can do more. Let us do it together.

**Frank Field:** One last point: Back Benchers can apologise only for our own action or inaction. That is my apology.

In this debate, one wonders what truth is and what facts are. When reading the NAO report, I reached totally different conclusions to the Secretary of State. I thought the message was that the Comptroller and Auditor General was perplexed beyond belief that he could not recommend to go back or to go forward. There was a clear recommendation that we should pause, and I ask the Secretary of State for that pause—not never to resume the roll-out, but to at least to ensure that we are not inflicting unnecessary suffering, horror and hunger on our constituents, which Opposition Members have certainly registered, and which must have been registered by Members on the other side of the House.

**Ruth Cadbury:** The Secretary of State said that this was a new benefit that was helping people into work. In my London borough of Hounslow, we have had full service roll-out for two years and three months, and three quarters of claimants are in work. It has caused huge problems. Many families have lost their homes and jobs, and many have been threatened with losing their children. Does my right hon. Friend the Chair of the Work and Pensions Committee agree that a pause should have happened a long time ago in order to address the problems that were more than relevant and apparent in Hounslow?

**Frank Field:** Yes, indeed, but I am really anxious to respond to the Secretary of State's wish that we work together. The building block of working together is to take that key sentence from the NAO report, whatever else it said, about a pause—not to scrap universal credit, but to have a pause—to make sure that in three respects we are not party to inflicting untold misery, horror and hunger on our constituents.

The first is that we do not continue the roll-out until we have universal support. We do not have universal support in the way in which all of us understand the word universal.

Secondly, on real-time information, the experience in my constituency—it must be the experience in other constituencies as well—is that real-time information is neither real nor on time. That is causing the most incredible problems with people's claims. Might we have a pause until we make sure the Revenue can service the Secretary of State's Department in a way that we need for a successful continuation of the roll-out of universal credit?

Thirdly, on debt, on which the Secretary of State could decide today, debts of yesteryear are being found and charged to people on universal credit. The repayment of those debts is overwhelming people. I am not saying that people should not pay their debts, but do we not think that feeding one's children, and ensuring the rent is paid and the heating is on, ought to be at least equal in importance to the repayment of debt? Might I therefore make a plea to the Secretary of State that she looks at the rules—not to scrap the repayment of debt, but the amount that is reclaimed—on debts that most of us will have forgotten?

**Ms McVey rose—**

**Frank Field:** I give way willingly.

**Ms McVey:** Again, I thank the right hon. Gentleman for saying that. I want to reassure him. I have not been in post that long to get to grips with absolutely everything on UC, but debt and how it is repaid is precisely what I am focusing on at the moment.

**Frank Field:** That is wonderful news, but after the right hon. Lady has considered debt and decided on it there is the business about real-time information. This is not under her control as the information is supplied to her by another Department. It is not real and it is not on time, so perhaps she could look at that as the next item on the list. There is also the crucial business of universal support. I tried to claim, but I could not do it in the time. A lot of us need that support to make sure we can make a claim successfully. If we are going to work cross-party on this, there has to be give on the other side as well as on this side.

**Several hon. Members rose—**

**Madam Deputy Speaker (Dame Rosie Winterton):** Order. I am very sorry but, because of time constraints, I will now have to impose a three-minute limit.

2.33 pm

**Chris Green (Bolton West) (Con):** It is a pleasure to follow the right hon. Member for Birkenhead (Frank Field), who has done so much over many years to advance the cause of people on welfare.

There has been recognition over a great many years about the complexity of the system that people need to access for the support they need. In 2010, the then Secretary of State asked for an estimate of how many benefits there were. The estimates ranged from 50 to 60 different benefits. When people are trying to access support, that complexity puts people off. It makes it more difficult for people to access the benefits and support they need. I welcome the sense of "hiding the wiring" with universal credit to enable people to get that support.

The idea that work always pays is absolutely critical. The 16-hour rule is a perverse disincentive to people taking on more work. Not taking on more work means

[Chris Green]

that individuals do not get the experience they need. Not taking on more work means that people will not receive the training that someone working 24 hours or 30 hours would receive. Training is an investment by the business in the individual, and getting extra hours enormously improves the chances of that individual receiving training. Better prospects mean that people will get better jobs and better pay, and have more job security.

Two jobcentres in my constituency serve my constituents. Both are pleased—delighted, in fact—to have had the roll-out of universal credit locally, because they find that they can more effectively serve the people they are there to serve. The barriers between the people gaining support and the people delivering that support have come down. It is incumbent on everyone participating in the debate to send out a clear message that increased support is there for people who need it most. The barriers have come down and people in jobcentres are far more able to offer and give that support. We need to tell people who need that support, “Go. Get that support, because it is there.”

I realise that today's debate is very popular, and that shows the importance of universal credit and of this debate. The Secretary of State should carry on the good work she is doing. My constituency office team does a great deal of work with people in the welfare system. The work of all our constituency offices ought to be recognised, because they provide tremendous support to so many people.

2.36 pm

**Stephen Timms** (East Ham) (Lab): Universal credit was a good idea, but the problems we are seeing in our constituencies are very significant. The Trussell Trust told us in its briefing for this debate that when universal credit is fully rolled out in an area, demand for food banks in that area goes up by 52% in the following year compared with 13% in areas where universal credit has not been fully rolled out. I noticed that the National Audit Office looked specifically at what the Trussell Trust said about demand for food banks where universal credit has been fully rolled out. The NAO states that its analysis

“aligns with the Trussell Trust's.”

Indeed, the Department's own analysis—the survey that the Secretary of State referred to, which was published last month—makes the point, as the hon. Member for Airdrie and Shotts (Neil Gray) has told the House already, that four out of 10 claimants in both the survey's waves that were looked at were experiencing difficulties keeping up with bills. That is a much higher proportion of people facing hardship than has been the case with the previous system.

Why is universal credit causing much greater hardship than the previous system? Above all, it is for the very straightforward reason that people have to wait for five weeks before they are entitled to anything other than a loan once they have applied. A lot of people—I think we can all understand why—struggle to survive during those weeks. The theory was this: someone who has just left their job has a month's salary in the bank that will see them through for a month; and after the usual waiting days, their money will start to come in. But a very large number of people do not have a month's

salary in the bank. There are a lot of good reasons why that is the case, but the most obvious is that people are often paid weekly. A very large number of people are paid weekly, but Ministers—I asked the former Secretary of State about this some years ago—have never had an answer to how those people are supposed to survive. I am grateful that the Secretary of State has told the House that she is listening and that she wants to work cross-party to fix these problems, and I very much welcome the fact that last October the delay was reduced from six weeks to five, but a gap of five weeks is asking too much of people who very often have virtually nothing in the bank when they make their claim.

**Ruth George:** Ministers have been saying that the advance payments solve the problem of the long wait, but the evidence we are getting from the Trussell Trust, among others, is that the high rates of repayment of those advances mean that they do not solve anything, but just prolong the debt that people are in.

**Stephen Timms:** My hon. Friend is absolutely right. If people are forced to depend on an advance right at the beginning of their claim, they are by definition plunged into debt right at the start. I am pleased that the Secretary of State has I think told us today, in response to my right hon. Friend the Member for Birkenhead (Frank Field), that she will look at the repayment periods and, hopefully, offer a less demanding repayment schedule than is the case at the moment. However, just plunging people into debt at the beginning of a claim is a very serious problem.

The Trussell Trust, which I have referred to, said that we should pause the roll-out of universal credit to fix the problems. My hon. Friend the Member for Wirral West (Margaret Greenwood) made that plea from the Opposition Front Bench, as she has done repeatedly and rightly. The Secretary of State can perhaps discount those representations, but she should weigh carefully what the National Audit Office said, to which attention has already been drawn today. Its report said that the Government should

“ensure the programme does not expand before business-as-usual operations can cope with higher claimant volumes.”

I very much hope that the Secretary of State and her fellow Ministers will weigh that cautionary note very carefully indeed.

2.40 pm

**Simon Hoare** (North Dorset) (Con): It is a pleasure to follow the right hon. Member for East Ham (Stephen Timms), who speaks with great experience on these matters. One of the burning questions this afternoon is whether the Labour party's official position is to continue to support the principle of universal credit. Every time that Labour has the opportunity to endorse universal credit, it dodges doing that and seeks to tear it down from within.

The hon. Member for Wirral West (Margaret Greenwood), who speaks from the Opposition Front Bench, may be interested to hear the observation of one of the senior managers in my local jobcentre in Blandford Forum, which I visited a few weeks ago. He told me that he had been advocating and urging something like universal credit since he joined the service way back in 1986. This simplified approach, making it easier for



people, is absolutely the right way. Likewise, the approach of roll-out, pause, reflect and revise that the Government and the Department have adopted is absolutely the right one. That is in sharp contradistinction to the dramatic roll-out, to trumpets and drums, of the tax credit system, and look at the absolute disaster that that was. The Department's approach is the right one.

The shadow Minister, of course, has form on these matters. In a debate on the national health service in January this year, she told us:

"Let us have no more talk about taking the politics out of the NHS. The NHS is a political entity."—[*Official Report*, 10 January 2018; Vol. 634, c. 373.]

I chastised her on that. She likes to come forward with crocodile tears, synthetic concern and outrage. Labour Front Benchers merely use this to prey on the concerns of very vulnerable people for what they believe to be cheap political advantage.

The hon. Lady may be interested to hear an email from a constituent of mine—[*Interruption.*] If the hon. Member for Easington (Grahame Morris) wants to intervene, he is very welcome to.

**Grahame Morris** (Easington) (Lab): I'm not going to give you more time.

**Simon Hoare**: Thank you for that. Let me quote from a constituent of mine:

"I went in great fear of UC. I thought it would be too difficult and cruel. I thought things would be made hard for me and my family. But I applied. It was easy and far simpler than I thought." He said that the only mistake he made was that he had listened to Labour and that it was Labour that had made him afraid of the process. That is the legacy of the approach.

In closing, I invite my right hon. Friend the Secretary of State to consider—the hon. Member for Oxford East (Anneliese Dodds) and I have discussed this—the role and effectively the right of audience that those who work for the CAB have in this process. There seems to be some confusion. I suggest to my right hon. Friend that she convene, at a moment of her convenience, some form of roundtable to establish some form of protocol for those in the CAB who do valiant work for our constituents.

**Ms McVey**: Members on both sides of the House have mentioned that, so I will answer my hon. Friend. I met the CAB the other day. In terms of what we are putting forward, I think what he is suggesting could be in my mind, too. We will be working on something that I can announce pretty shortly; we will be working together to help benefit claimants.

**Simon Hoare**: I am very grateful to my right hon. Friend. That underscores the approach that she has outlined of listening and engaging. In that spirit, I urge her and her Department to issue—this may not be the right phraseology—some form of national guidance to all CAB offices and to all Members across the House on what the role of the CAB is. I take my hat off to them; I have two CAB offices serving my constituency. They often deal with very complex debt issues, which I am certainly not qualified to deal with. We owe those volunteers, who give up so much of their time, a huge debt of thanks. As I said, the hon. Member for Oxford

East and I have discussed this. We came to different views on the advice that we had been given, so such guidance would be very welcome indeed.

Let us not forget the value of work and what should always be the temporary nature of state support for people with regards to welfare. It is not a way of life, but a helping hand. It is a safety net to self-determination, self-reliance and support for family. I am convinced that universal credit will deliver that, and it has my support.

2.45 pm

**Neil Coyle** (Bermondsey and Old Southwark) (Lab): The Secretary of State started the debate by asking for an apology about words used towards her by a senior member of my party. I add my apologies to those she has already received from my right hon. Friend the Member for Birkenhead (Frank Field). I am very conscious of the plaque that is right over my shoulder. The language of violence and threats to people has no part in our party or our politics, but the context of today's debate is the Secretary of State's inaccurate statements, which she has admitted were misleading.

This Government have misled the whole country about universal credit. They have claimed that it is on time. Its delivery to millions of people was meant to be finished in October 2017. We are about 12% of the way through. They claim it has public support, when one nickname locally in Southwark is "Universal Dread-it". They claim that it supports people in work, when the Secretary of State is meeting a constituent of mine who was self-employed and made homeless as a result of universal credit. They claim that it is on budget, when it costs three times as much to administer a decision on universal credit as the legacy benefits, and it has cost £1.9 billion to get 800,000 people on to universal credit. The general public get that, even if Ministers still want to try to peddle misinformation, and people certainly get it in Southwark, which is a full service area and an early adopter.

In Southwark, the claim that it is a better system has been completely blown apart. The council is owed £5 million in arrears from universal credit recipients alone, and the average arrears are now £1,800-plus. The Government claim that those people were in arrears before, but that is simply not true. With a legacy benefit such as housing benefit, the average council tenant is £8 in credit—they have no arrears at all. For those who are on legacy housing benefit and in arrears, the average figure is less than half the average for those on universal credit.

The Government claim that universal credit is working well. Tell Citizens Advice: 50,000 people a quarter are going to Citizens Advice up and down the country for information and support on universal credit. Tell the food banks: Southwark food bank alone gave out 4,227 three-day emergency parcels last year, including to more than 1,600 children, the single biggest reason being universal credit. The Government also claim that most people get the right support quickly, so everything is hunky-dory. The NAO said that this year alone, more than a quarter of a million people will get payments late. That is completely unacceptable. The Department is ignoring those real problems and making increasingly desperate excuses and outlandish claims about universal credit.

[Neil Coyle]

We are here today because the Secretary of State made a false or misleading statement about what the NAO said. Actually, she has claimed multiple times, including this week, that universal credit gets more people into work. The NAO said:

“The Department will never be able to measure whether Universal Credit actually leads to...more people in work, because it cannot isolate the effect”.

It also said:

“Both we, and the Department, doubt it will ever be possible for the Department to measure whether the economic goal of increasing employment has been achieved.”

That is what the NAO said, so enough of the Trumptopia—enough of blaming, scapegoating and distraction through disinformation administered by a Department that is failing from bottom to top.

2.48 pm

**Alex Burghart** (Brentwood and Ongar) (Con): It is a pleasure to follow my colleague from the Work and Pensions Committee, the hon. Member for Bermondsey and Old Southwark (Neil Coyle), particularly after the remarks he made at the start of his speech. I very much welcome the offer that the Secretary of State made today to work cross-party to help to improve universal credit. I happen to think that that attitude has been prevalent in the Department for some time. That is what, quite frankly, led to its accepting a number of recommendations that the Committee, headed by my friend, the right hon. Member for Birkenhead (Frank Field), made last year. It led to the reforms that we saw in November, which are now being implemented.

I do not want to go over this again, because this is the third time that I have to say this in the past week in the House. However, the NAO report, which raises some important issues, does not take account of the changes that were implemented at the start of the year. Its survey period was from March to September last year. It is a fact that test and learn, as implemented by the Department, has allowed the system to evolve in response to reports that our Committee made last year.

This is test and learn in action. It is a sign of a system that is capable of evolving and responding as we find out more about how it works. While there is always room for improvement and there are many things we can do to improve the system—I am particularly pleased to hear the Secretary of State say she will look at repayment periods, and I know the work she is doing on universal support to ensure that people can get out of debt—it is important to have a system that enables those changes to be made, and I take some solace in the fact that that exists.

I have had universal credit in my jobcentre since November. My office is in frequent contact with it, and in my area at least—I can only speak for my area—things are going very well: the work coaches are extremely pleased with the system and the claimants I have spoken to have been extremely pleased with the service they have received.

Today's motion brings a personal censure against the Secretary of State. The House will remember that the Secretary of State has been in post since the start of the year, since when she has reinstated housing benefit for 18 to 21-year-olds, introduced new support for

kinship carers, discontinued PIP legal appeals and introduced protections for people with severe disability payments. That is what she has done in the past six months. I just say to the House that we are not at our best when we make matters personal, rather than about policy, and it would be better if we did not cross this grubby line again.

2.51 pm

**Ms Angela Eagle** (Wallasey) (Lab): It is hard to overstate the rolling catastrophe that is universal credit and the abject misery and hardship that it represents not only to my constituents but to those of many other right hon. and hon. Members. As page 19 of the NAO report demonstrates, the system is so beleaguered that, while the original plan was for more than 7 million households to be on universal credit by now, the latest figures show that just 660,000 households were on it by the end of last year. The system is already six years late and there is no guarantee that it will ever arrive at the destination originally envisaged, yet the NAO estimates that the system has currently cost £2 billion to implement and is costing an astonishing £699 per claim.

The proper response to the huge problems with universal credit in the Department should be a commitment to improve and an acknowledgement of the undoubted weaknesses and design flaws that have been revealed. We have not had enough of that response. We have had ministerial denial and dissembling. Whatever dubious assertions the Minister may make about the merits of the system in response to today's debate, the lived experience of my constituents in Wallasey contradicts them. It started to be rolled out in Wallasey in November 2017, and many of my constituents have been struggling ever since. As a result, many families have been placed under increasing pressure and hardship through no fault of their own.

Experience demonstrates that food bank usage increases by 30% in areas where there has been a full service roll-out. In Wirral, the increase was 35% in the first five months of 2018, as more and more families were forced to move on to universal credit. In the first five months of this year, 50,000 three-day emergency food packages were given out, nearly 15,000 going to children. In my constituency, the introduction of universal credit was 13% complete in December 2017, yet almost every day my constituency office receives new cases from people struggling with the system.

I have a constituent who suffers from a condition that leads to episodes of multiple seizures. She was attending a medical assessment as part of her claim when she suffered multiple seizures in front of the doctor. Not only was there a lack of understanding and sympathy about her condition; they refused to accept the medical evidence and what they were witnessing and shockingly told her that she had to come back the next day at 9 am to be re-examined. She has still not had her claim processed and is now frightened to leave the house for fear of being accused of being a benefits cheat.

Claimants are being given insufficient advice and guidance from their jobcentres, and local advocacy services have been decimated. I have constituents who have been sanctioned and have no other income. We know that this is not working. We have to make it work. It is not working at the moment.

2.54 pm

**Heidi Allen** (South Cambridgeshire) (Con): I suspect that everybody in the House became an MP because they wanted to make a difference—I most certainly did, and I know the Secretary of State did too—so I find the motion to be nothing other than an unacceptable personal attack on her. Perhaps President Trump's visit to the UK this week can serve as a reminder: they go low and we go high.

I have yet to talk to any organisation with deep knowledge of our benefits system past and present that does not agree that universal credit is a vast improvement on legacy systems. Everyone who cares about alleviating poverty and improving the life chances of the vulnerable wants universal credit to succeed. I could look back and say I wish we had had more ministerial stability at the Department, that the roll-out in the last 12 months could have been slower or that the £1.5 billion in the Budget last year could have come a bit sooner, but since she has taken the reins at the DWP the Secretary of State has listened, just as her predecessor did. Deciding not to pursue the court challenges over PIP, and the severe disability payments, which we have heard about today, were both the right things to do. I am confident that when those of us who have constructively assessed the system tell her what more we can do, she will listen.

Let us start with the current system. We need to upgrade universal support to Martini status. Given that just 54% of claimants can enrol for universal credit without assistance, we need to ensure that universal support is available anywhere, everywhere and at any time. This means a full service specification with quality standards that can be monitored. It needs to provide more than was originally envisaged, including debt advice, which should be available through a trusted provider and to every claimant who needs it. I would suggest contracting it out to Citizens Advice, housing associations or some other such organisation.

The universal credit system as a whole needs quality indicators. What does good look like? What payment timeliness are we aiming for? What about accessibility, advanced payments and debt monitoring? Let us think of claimants as valuable clients, as citizens and taxpayers who deserve excellence in their interactions with the DWP. I want us to focus on the most vulnerable claimants—those at risk of ending up in our surgeries and food banks—such as victims of domestic abuse and modern slavery, those with mental health issues and the disabled.

Let us treat them as a special set of customers—platinum customers—and make it our mission to ensure they do not fall through the net. Let us think about fast-tracking them through the system and treating advanced payments as first payments, not loans to be collected back in. Since we pay universal credit in arrears, that advanced payment should be collected right at the end, when, all being well, the customer, with all the positive support of universal credit and the skills and passion of their work coach, has moved into good sustainable employment.

**Paul Masterton:** My hon. Friend mentions work coaches. I was disappointed that the Opposition spokesperson expressed no gratitude to the incredible men and women all over the country working on the frontline of our

jobcentres with some of the most vulnerable people in our society. Does she agree that they deserve our support?

**Heidi Allen:** Absolutely, and they care deeply. I have spent time with work coaches all over the country in different jobcentres. They are proud of what they do and deserve our support. Working with them, we need to identify every crack in the system and ensure that our most precious customers—our platinum customers—do not slip through them. In that regard, I am pleased that the Chancellor has agreed to keep an eye on the taper rate.

None of my asks so far would incur big financial costs, but there is one we should ask the Chancellor for: we have to release working-age claimants from the benefits freeze. Universal credit can be the most positive and efficient system in the world, but if people cannot afford to live on it, it will not matter a jot. Furthermore, all this has to be sorted out before we push the button for managed migration. This is important, because when we do that, about two thirds of the claimants who will move across will be ESA claimants. They are our platinum customers and everything has to be perfect for them before we move them across. I will need to be reassured of that before I can vote for that legislation.

Conservative Members want universal credit to work. It is brilliant that we will be working with Citizens Advice, the Trussell Trust, Save the Children and others as they are desperate to engage positively and collaboratively. Getting universal credit right and, in doing so, helping millions of people in this country—that is a motion worth supporting.

2.58 pm

**Jessica Morden** (Newport East) (Lab): I too want universal credit to work, but yet again the Secretary of State has come to the House, in the face of evidence and feedback from the NAO, CABs, food banks, housing associations, local government and others, and just appears to want to ride it out and brazen it out. That is deeply worrying and disappointing for my constituency because Newport has only had about 10% roll-out so far, and those are the easy cases—new claimants, single people without children, families with no more than two children. Yes, some people will have managed to navigate universal credit, but, as the NAO report says, for a “substantial minority” that is not the case. We need to address the problem as a matter of urgency before the roll-out reaches the more complicated cases, involving moving people from legacy benefits and people with larger families.

During this limited roll-out, we have also seen the problems documented by the NAO report reflected locally, and alarm bells should be heard. There have been problems with the initial claims: for instance, one family were inadvertently moved to universal credit and had to be returned to legacy benefits. It took 99 days for the lost tax credits to be fully recovered. According to the report, one in five claimants do not receive their full payments on time, and on average those claimants have been paid four weeks late. That means that many people do not receive their full payments for eight or nine weeks—and they are often people with no savings on which to rely. Some of my constituents have to resort to using food banks. One local food bank reports giving out 300 extra parcels every month over and above the



[*Jessica Morden*]

increase that it anticipated. Other constituents do not want the advance payments because they do not want to go into debt, and are borrowing from loan sharks or from family and friends instead.

I agree with all the points that have been made about the online system, but let me add one more. People who have no individual ID, such as a passport or driving licence, now face a longer wait for an appointment before they can get into the system into which the delay is built. Those are often the most vulnerable people, and that too needs to be addressed.

Advice services such as citizens advice bureaux are seeing more and more people, and Newport CAB tells me that most of the problems involve initial claims. Arrears and debt problems do not just go away, as is shown by the Government's own full service survey. Housing associations and local authorities are picking up the extra costs. Rent arrears alone are costing housing associations in Wales more than £1 million.

Let me take this opportunity to thank the hard-working DWP staff out there. According to a survey conducted by the Public and Commercial Services Union, 80% felt that there were not enough staff to manage the workload. I know that they are doing their best with the resources that they currently have, and I thank them for what they are trying to do.

**Ms Angela Eagle:** Does my hon. Friend agree that, while DWP staff are remarkably good at the job they do, they must have the tools they need to do that job, and many are frustrated that they do not have them?

**Jessica Morden:** I absolutely agree. I believe that they are doing the best they can with the tools that they have been given, but they need far more resources.

I hope that the Minister who winds up will adopt a more conciliatory tone. It is not enough to say that the delays can be solved by advance payments, or that it is too early to assess the impacts. The evidence is plain to see in our constituencies. The Government have been forced to change parts of this policy, and it is now time for them to pause and listen. If the roll-out speeds up and takes on the more complicated cases, we will, I fear, see only more debt and hardship among those who need the system to help them into work, or to support them if they cannot work.

3.2 pm

**Richard Graham** (Gloucester) (Con): Let me start by welcoming my near neighbour and old friend the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for North Swindon (Justin Tomlinson), back to his place on the Front Bench.

Today there was a fantastic opportunity for the Opposition to hold a debate on one of a range of very topical issues, many of which arise this week: the future of NATO, the way forward for the western Balkans, our security partnership with the United States, or the revised economic growth figures and the potential impact on savers and borrowers.

**Rachel Maclean** (Redditch) (Con): Or the World cup.

**Richard Graham:** Or, indeed, the World cup. Unfortunately, however, the Opposition chose none of those issues, and have fallen rather than risen to the

occasion by tabling a motion containing two censures and a personal attack, in the name of the Leader of the Opposition, in relation to something for which the Secretary of State has already apologised.

I am here today for a straightforward reason: to remind the hon. Member for Wirral West (Margaret Greenwood)—who is not paying a huge amount of attention—that it is a mistake for the Opposition to throw stones from very fragile glass houses. Let me explain why. On 11 October last year, the Leader of the Opposition said, at Parliament's peak moment, during Prime Minister's Question Time:

"The last Labour Government lifted a million children out of poverty. Gloucester City Homes has evicted one in eight of all of its tenants because of universal credit. The Prime Minister talks about helping the poorest, but the reality is a very, very different story."—[*Official Report*, 11 October 2017; Vol. 629, c. 324.]

Let me remind the House that the reality was indeed a very, very different story. The actual figure was not one in eight—which would have meant 650 out of 5,200 tenants in my constituency—but a total of eight, one of whom had left the property 18 months earlier and another of whom had left the country. That is a very, very different story indeed. It would have been fitting for the Leader of the Opposition to apologise, and to have expressed some form of recognition that he had slandered the city of Gloucester, Gloucester City Homes—which is an excellent housing association—and, indeed, all of us who try to engage in a rational, measured, objective debate on universal credit, which is what we did in the Select Committee when I was on it. My point is that we should avoid these motions of censure, stop criticising people personally, and focus on the facts.

Before I run out of time, let me offer some recommendations to the Secretary of State. First, the trusted partner programme is working very well, and housing associations such as Gloucester City Homes benefit from it. Please may we have more of it for more housing associations? Secondly, the Secretary of State is right to focus on debt, and I should love to know more about why people go on to universal credit with so many debts.

3.5 pm

**Hugh Gaffney** (Coatbridge, Chryston and Bellshill) (Lab): I came to the House to stand up for the most vulnerable, and for those who need a better deal from their Government, in Holyrood and in Westminster. Those people are public sector workers, single parents with families, people with disabilities, and refugees who are making new lives for themselves. They are people, including parents, who are doing two or three jobs just to survive, pay the bills and fill the fridge. I thank my hon. Friend the Member for Wirral West (Margaret Greenwood) for a spirited defence of working-class people who are dealing with the harsh decisions of a bad Government.

Just last week, we saw the head of the National Audit Office call out the Secretary of State on a number of claims that she had made in response to its recent report on the roll-out of universal credit. It is worth noting that he was forced to send a letter to the Government after the Secretary of State would not sit down to discuss the issue with him. That reeks of a Government who are sitting down with their fingers stuck in their ears. And why are they sticking their fingers in their ears? Because the NAO report was damning. It was

stinging in its clarity about the fact that the Government's flagship social security reform programme is not meeting the aims that were set out, and there is no evidence that it ever will.

Just last month, the Department for Work and Pensions itself published a survey that showed that 40% of claimants were still experiencing financial difficulties nine months into their claims. In my constituency, 21% of children live in low-income households. North Lanarkshire Council has recognised that people are finding it tough, and have introduced a properly funded free school meals programme. I pay tribute to my colleagues on the council, led by Councillor Frank McNally, for that and for all the work they do to support families. The introduction of free school meals every single day of the year—yes, 365—shows that decisions can be taken to support families who are finding it tough. I also pay tribute to my colleague Elaine Smith MSP, who revealed this week that warrants for council tax arrears in Scotland have soared by 40% in the last five years. As Monica Lennon MSP has said, too many Scots are struggling with the basics.

People in our country, and particularly in Coatbridge, Chryston and Bellshill, are finding it tough, and we need to think again. I hope that the Government will soon recognise that things are not going as planned—that Tory universal credit is not the answer that they thought it would be, and that it is time to call a halt and think again.

3.8 pm

**Julian Knight (Solihull) (Con):** When the Government first announced their intention to implement universal credit, it was past the time when we should have grasped the nettle of welfare reform. The existing system was simply failing claimants. It was difficult to navigate—people missed payments to which they were entitled because of the complexity and the myriad different benefits—and it created perverse incentives that locked people out of work. It was truly time for change.

Universal credit was introduced to do several things. First, it was intended to simplify the complex system of different benefits, allowances and tax credits that had preceded it. Streamlining services will not only make them easier to administer, but, crucially, will make the system much more transparent for the user. That is further reinforced by the Government's decision to invest £200 million in budgeting and digital support to help claimants, as we heard earlier from the Secretary of State. I am sure nobody ever intended to create the strong disincentives to work which ended up being baked into the previous system; it was simply very difficult to keep track of how many different welfare systems would interact with each other in the real world and over such a long period of time.

Creating a system that makes sure that work pays was the second goal of UC. I hope Members on both sides of the House agree that it was not right that some of the poorest people in our society faced some of the highest de facto marginal tax rates as a result of the previous system. Nobody should have to face a pay cut to move from welfare into work. A good job is about so much more than money: employment boosts our independence, our self-respect and our mental health. All claimants deserve the best possible chance of fulfilling their potential and building a strong, long-lasting career.

I am pleased that the Government have recognised that implementing such sweeping reform is a complex and sensitive task, and have adopted an incremental approach that allows Ministers and civil servants to adjust the roll-out—recalibrate at certain times—based on the feedback on the ground. That stands in sharp contrast to the chaos, which I remember from having worked in consumer affairs in the early 2000s, of the sudden “big bang” of tax credits. It is to the Secretary of State's credit that she has listened since coming into office and has made so many crucial changes.

To sum up, UC is a fantastic idea and the implementation is coming along—we are getting there. We understand that not everything is perfect, but we are making the effort, and we need Members in all parts of the House to recognise that the system is crucial to moving people from a dependency culture into the world of work, not just for them, but for their families and our society.

3.11 pm

**Tulip Siddiq (Hampstead and Kilburn) (Lab):** I want to raise two key issues to do with UC that affect my constituents: first, the associated decisions that compromise the Government's stated aim of helping more people into work; secondly, some adjustments that my constituents are asking to be made to ensure that the programme is fit for purpose for families with childcare needs.

One of the more reasonable aims of UC is to try to get more people into work, yet the Government seem to fail to account for how decisions taken elsewhere by the DWP will affect the outcomes of the policy itself. Many have talked today about the top-slicing of UC, the bedroom tax, and the changes to disability payments, but in my constituency a particularly damaging development has been the closure of jobcentres. Many of those affected have contacted my office saying they are being pushed ever further into crisis due to the added travel distance and the cost of travelling to the remaining centre in the borough. House of Commons Library figures show that 60% of the legacy benefit claimants in my area were served by the Jobcentre Plus in Kilburn. There is now a significant gap in support for vulnerable individuals; they will miss out on vital employment support as they have little or no funds to pay for that commute. To add insult to injury, these changes were made with little or no prior consultation and, as far as I am aware, there was no equalities impact assessment before they were confirmed.

The closures undermine the Government's rhetoric about helping people into work. For all the good intentions of DWP Ministers, they are being betrayed by the reality of their own policies on the ground. I hope the Minister in summing up will explain how the DWP will support the local council with the funds and resources necessary to ensure employment support is truly available to this community. The Public and Commercial Services Union and the Kilburn Unemployed Workers Group have long called for proper consultation on what employment support in the area looks like, and I hope the Minister will respond accordingly today.

As the chair of the all-party group on childcare and early education, I am very conscious that this policy will also have consequences for parents across the country, and of course in my constituency. Paola is just one of the single parents from West Hampstead

[*Tulip Siddiq*]

who have asked that I raise specific concerns about UC today. She has demanded better access to fortnightly payments and for the Government to offer flexibility for those managing fluctuating incomes. Similarly, she has raised concerns over the new job-seeking requirements for parents of three and four-year-old children. Making adjustments on these points would be a huge support for single parents who are self-employed, or who face huge childcare costs, and often both. The pressures on single parents are running in tandem, with many more families claiming UC and having to pay monthly childcare bills up front.

I hope the Minister will address these issues in summing up. If the Secretary of State is truly being honest about wanting to make this work and wanting to work together, she must take into account that fact that there are parents with childcare costs for whom UC is not currently working.

3.14 pm

**Rachel Maclean** (Redditch) (Con): It is a pleasure to follow the hon. Member for Hampstead and Kilburn (*Tulip Siddiq*).

When I first saw the motion on the Order Paper I was dismayed by the wording and the personal attack on the Secretary of State, my right hon. Friend the Member for Tatton (*Ms McVey*). It was very good of the right hon. Member for Birkenhead (*Frank Field*) and the hon. Member for Bermondsey and Old Southwark (*Neil Coyle*) to stand and give their apologies, and I give a heartfelt welcome to that. I hope they will call on their colleagues, particularly the right hon. Member for Hayes and Harlington (*John McDonnell*), to stand in this Chamber and repeat their words, because the hon. Member for Bermondsey and Old Southwark is absolutely right to say we have more in common when we work together, and we should put that hatred aside once and for all; the hon. Gentleman and the right hon. Member for Birkenhead are great examples of that.

I want to focus on an aspect of UC that we sometimes do not focus on enough. I come at this from my background in software and systems and technology. The Secretary of State has explained that UC is an agile test and learn system, but what does that really mean? In the words of the jobcentre staff in Redditch, it means that every claimant is an individual and they have support tailored to their unique circumstances. Those circumstances are not static at one point in time; they might change—their income might go up or down, their family situation might change. That is why what we are discussing is so important. The calls to pause UC often unfortunately fail to grasp the nature of an agile test and learn system; if we pause a system, we cannot have that feedback put into the system to improve it. We want the system to be improved in order to be able to improve people's lives. As my hon. Friend the Member for Solihull (*Julian Knight*) has said, this is not just about economics; this is about human potential—people's human potential to give to their society and to provide for their families, which is what we all want to see.

I have experience of the full service in Redditch; it has been rolled out there. There are always things to improve, and I will focus on one area in the NAO report: will the

Department ensure it sets out the goals more clearly and tracks the progress towards them? That is very important in any complex system, which this is.

My right hon. Friend the Member for Tatton is a learning and listening Secretary of State. I commend her on the work she has done, and I am sure she will continue to work in this way.

3.17 pm

**Karen Lee** (Lincoln) (Lab): Lincoln saw the full roll-out of UC in March. It is about hardship; it is about poverty; it is about debt—that is the reality. This month over 600 claimants in my constituency need to apply to be transferred over to the full service. It is causing havoc and deep concern—it genuinely is. Prolonged delays have set in motion a damaging cycle of debt, rent arrears and even eviction and homelessness. In Lincoln, arrears in 264 council houses total over £80,000 of debt since UC was rolled out. My constituents who are forced to wait for UC payments are unable to cope with household budgeting—they just cannot do it on that kind of income—and their physical and mental wellbeing is affected as bills and debts pile up.

We shall take as an example what has happened to Anna, one of my constituents. Anna has been passed from pillar to post as she has tried to navigate through slow and complex bureaucracy. The delay in receiving her payment has forced her to sell everything she can, including her car. Despite help from my office and Lincoln's Labour-led city council, Anna has fallen into arrears and has been understandably anxious regarding the lack of progress in her case; even my staff member who supported her got really upset about it—the House has to listen to this.

The chaotic roll-out of universal credit means that thousands of people like Anna are facing a nightmarish situation. We are not making it up. In my constituency, I have supported people who are either waiting for or receiving universal credit. They cannot even afford to feed themselves and their families and they have to rely on food banks to survive. I would like to take this opportunity to thank everybody who works in Lincoln's food banks supporting those people. They are doing a tremendous job against the odds.

The Secretary of State made three inaccurate statements, but she has apologised for only one of them. I might be new here, but by my reckoning that still leaves two that have not been apologised for. There has been a lot of talk today about working together. May I appeal to the Secretary of State to pause and fix universal credit, and to listen to what we are saying before more families are plunged into debt and poverty and risk suffering the indignity of using food banks?

3.20 pm

**Stephen Kerr** (Stirling) (Con): This is a petty and mean motion. My right hon. Friend the Secretary of State is doing a first-class job, and I have only the utmost respect for her and for what she is doing. There is no more passionate an advocate for the principle of work and the eradication of poverty than my right hon. Friend. Her team are attentive, listening and committed to the task, which is to ensure that people are always better off in work than on benefits.



We have had full service universal credit in Stirling for over a year, and I would like to share some observations and suggestions based on our experience. First, is there a way—I think there might have been a suggestion earlier that there is—in which the DWP could extend the concept of trusted partner status to organisations such as Citizens Advice? That would allow Citizens Advice volunteer advisers to have access to named DWP contacts in order to support the resolution of client queries, which would go a long way to making things simpler and resolving things quickly. The second point is on the need to secure mental health training for DWP staff dealing with the migration of legacy benefits. The legacy benefits issue has been well documented, and with more vulnerable clients coming into the system, we need to ensure that DWP staff are well supported when supporting their clients.

Thirdly, there needs to be increased decision-making discretion at local level on reassessment, and particularly on mandatory reconsideration. When clients are well known to the DWP, it is my view that the mandatory reconsideration process is redundant. More than 90% of medical assessment decisions are upheld at that stage, but three quarters are then overturned on appeal. Giving more discretion to local staff on this matter would make the system more efficient and make better use of the working knowledge that staff have of their face-to-face clients.

My fourth point relates to an anomaly in universal credit deductions. When the DWP makes a deduction from a payment, that might not be the only deduction that is coming off that payment. There might also be court deductions or deductions from the local authority. This can often take claimants below the minimum payment level and leave them without anything to live on. That is a real-life experience.

My final point relates to women's refuges. When a woman goes into a refuge, only one benefit should stop, and the woman should continue to receive payments. In the experience of our local women's refuge in Stirling, both payments have stopped, and that is unacceptable. That situation needs clarity.

**Heidi Allen:** Does my hon. Friend agree that those sorts of women are the platinum customers that I am talking about? They are the ones who need to be fast-tracked through the system and to have a bespoke work coach with them.

**Stephen Kerr:** Absolutely. The test of this system is how we take care of the most vulnerable people that are touched by it. That point is well accepted by my right hon. Friend the Secretary of State and her team.

Those are the five points that I wanted to make, and I would like to see some movement on them, to help to continue to roll out a fair and improved system that meets the promise of encouraging work and also protects the most vulnerable in society. I look forward to hearing the Minister's response.

3.23 pm

**Fiona Onasanya** (Peterborough) (Lab): I am slightly concerned that the Secretary of State feels that highlighting the fact that it appears that the House has been misled is now turning into a personal attack, because that is certainly not my intention. My intention is to raise awareness of what is really going on in our constituencies

and what people are coming up against. I understand that this is a censure motion, but that is because we would like a vote on it, and the reason why is that our constituents are affected by this. It is not all goodness and light and a bed of roses with people doing well.

The hon. Member for Redditch (Rachel Maclean) talked about "test and learn". I have no issue with that, but we need to learn from the tests. If we roll out a test and get negative feedback, we need to pause and fix it, and then carry on. We should not continue with business as usual when we know from the test that certain aspects are failing. For example, we know that there is a negative impact on our disabled constituents. They are not a forgotten class; they are as important as everyone else. We are asking for a review of the policy. If universal credit has faults, let us fix them rather than rolling out a faulty system.

**Bim Afolami:** I like the tone of the hon. Lady's remarks, but does she accept that her moderate tone does not reflect the motion on the Order Paper? Does she agree that arguing about technical tweaks relating to universal credit is not quite what the Labour party is doing today?

**Fiona Onasanya:** I thank the hon. Gentleman for his intervention, but I do not accept his comments. I am seeking to convey my points in this tone because people are at the centre of this discussion. This is not about politics that are devoid of compassion. That would make this place just a debating chamber, and that is not what it is about. We are seeking to help the individuals who need this assistance. People who need help are being told, "We have weighed everything up and we think this is the minimum you need to get by, but we are going to hold that back. We are going to sanction you." One of my constituents, who is called Holly, contacted the DWP about what she perceived to be an overpayment. The DWP said, "No, there's no overpayment. You can continue. The money is yours." It then decided that there had been an overpayment. She has now been sanctioned and is not entitled to any money until she has repaid £1,500. These are the people we are here to talk about.

**Melanie Onn** (Great Grimsby) (Lab): Would my hon. Friend be surprised to learn that there is a glitch in the system that seems to be putting people into debt? Someone in my constituency has been able to apply for advance payment seven times; because of that glitch, they now have £1,700 of arrears. Is that what the system was designed to do?

**Fiona Onasanya:** I do not believe that that is what the system was meant to do. That is evidently a glitch that needs to be rectified. This goes back to what I was saying about test and learn. If we can see that there is a problem like that, why would we not pause and fix it before continuing the roll-out? It is almost like still driving a vehicle with a punctured tyre—we are running on the rim and the wheel is being damaged, but we keep on going. We need to pause and say, "Hold on, we've been made aware of this. We are not just hearing about these problems but listening, and this is what we are going to do. We are going to pause this, and then we will roll it out. That will be more effective."

[*Fiona Onasanya*]

Seeking to help people into work is a good thing, not a negative thing, and we want to give people a hand up, not a handout. However, my worry is that we are not properly serving many of the people we are here to serve if we do not stop and say, "Hold on a minute. We hear what you are saying and we are listening." We should be listening to the disabled individuals who are not getting the money to which they are entitled. We should be listening to the people who find themselves sanctioned and have to live hand to mouth, or to wait weeks to get more money after their electricity has run out. We should say, "We're listening to that and we don't want you to be in that position." No one cares how much we know until they know how much we care. Let us pause the roll-out and fix this.

3.29 pm

**James Heapey** (Wells) (Con): I want to talk about three areas: the first relates to the motion and my right hon. Friend the Secretary of State; the second is the experience in Somerset, where some of the first 15 councils to transition to universal credit nearly two years ago are located; and the third is about what might be left to do.

The speech of the hon. Member for Peterborough (*Fiona Onasanya*) was one of the more constructive to come from the Opposition Benches, but it is impossible to say that this is not a personal motion that confuses real issues around the roll-out of universal credit with an attack on the Secretary of State. I was in the House last week when she did apologise, and she has done the right thing since she initially spoke incorrectly.

The two district councils in my constituency, Sedgemoor District Council and Mendip District Council, transitioned to universal credit on 25 May 2016 and 27 July 2016 respectively, so the Wells constituency has a lot of experience of universal credit. To be honest, when it first arrived, that experience was not very good at all. A report produced by Sedgemoor District Council in January 2017, after about seven months of dealing with universal credit, said all the things that Opposition Members are saying now. People were being left without money for too long, which was reflected in my case load, and an awful lot of people came to see me for help. Local food banks said to me exactly what they have said to other colleagues and in the media: they were seeing a real uptick in referrals.

I would therefore never argue that the roll-out of universal credit has been smooth and that everything has gone swimmingly. However, now that we are two years into the process of Wells residents transferring to universal credit, things have massively improved. People are now transitioning much more smoothly. The number of people seeking my help because they have experienced difficulties has reduced significantly. Jobcentre Plus staff tell me that they see great merit in universal credit and think that it is achieving all the things that it should achieve to help people into work.

**Michael Tomlinson** (Mid Dorset and North Poole) (Con): My hon. Friend is making a constructive, sensible point. Does he agree that the principle of universal credit must always be that it will pay to get people into work and to simplify what was an overcomplicated and over-bureaucratic system?

**James Heapey:** My hon. Friend is right. That is absolutely the principle of universal credit, and that is exactly what people in my constituency are experiencing now, because so much has been improved over the two years in which universal credit has been operating.

The Department for Work and Pensions is to be commended for how it has responded to feedback. The skills of DWP staff in call centres around the country, their understanding of the system and their ability to help our constituents when we go to them with casework are all much improved. Frankly, it is wrong to suggest that we should pause or stop something that is now well in train when so much has been learned and so many improvements have been made. That is why I am glad that the Government are keeping on course and maintaining the pace of delivery of universal credit.

3.33 pm

**Matt Rodda** (Reading East) (Lab): I am grateful for the opportunity to speak in this important debate and to present the concerns of many of my constituents, whom this failed public policy is supposed to help. The root of the problem for many is that applications are processed solely online. That causes enormous problems for people who are digitally excluded, those who do not have a smartphone or a computer at home, and those for whom English is a second language. The support provided by the DWP is inadequate and jobcentres are simply not set up to provide the necessary level of IT support. The National Audit Office report supports that view, and the Department's own survey found that nearly half of claimants were unable to make a claim online unassisted and a fifth of claims fail at an early stage because claimants are not able to navigate the online system.

I am grateful for the work of my constituency staff and several local support and advice organisations that work tirelessly to plug the shortfall and help to process claims in the absence of adequate DWP support. Without those organisations, to which I pay tribute—they include Reading citizens advice bureau, Woodley citizens advice bureau, Reading community welfare rights unit and CommuniCare—hundreds of people would be falling through the cracks. I visited one of those organisations recently and, in the bright sunshine, I was shocked to find that more than 10 people were queuing at 9 o'clock on a Monday morning. They were waiting in line, desperate for help. This simply is not good enough.

I urge the Secretary of State and my Reading colleague, the Minister for Employment, to see these problems for themselves and pause to fix the roll-out of universal credit.

3.35 pm

**Kirstene Hair** (Angus) (Con): As we have heard, universal credit replaces a complex web of payments with a single monthly sum. Not only that but it actively encourages people to work by ensuring they do not end up worse off by taking up part-time work.

Under the previous Labour system, people could lose up to £9 of every extra £10 they earned. We are talking about apologies, and I cannot understand why the Labour party will not apologise for punishing people who wanted to work and to provide for their family.

About 60% of those in work who are receiving universal credit want to increase their hours. Figures show an overall increase in earnings of £600 and a fall in the proportion of those making less than £10,000. That is the reality, not the scaremongering from Opposition Members, which only creates anxiety among those who need the very help that universal credit provides.

One example of that scaremongering is the food bank survey, which has been mentioned a number of times in this debate. The sample for that survey was 0.04% of those on universal credit, and it was carried out prior to the changes that my right hon. Friend the Secretary of State has implemented. That is not a true reflection of the picture throughout the United Kingdom.

I have heard the concerns expressed by Members, the devolved Administrations and third parties such as charities about the roll-out of universal credit, which is why, both before and since the roll-out began, I have liaised closely with the DWP and jobcentre staff in my Angus constituency.

When I visited the jobcentre in Arbroath earlier this year, its staff made it clear to me that universal credit is a vast improvement on the previous chaos of various benefit payments, which could leave people confused. When there have been occasional issues in transferring constituents from the old system to the new, I have been struck by the DWP's willingness to listen and to correct errors. In fact, the National Audit Office's report confirmed my local experience by observing good relationships between work coaches and claimants, which I hope the Opposition will welcome. Indeed, I will return to my jobcentre throughout the summer months because we fix things by learning what the issues are and ensuring that we can help our constituents.

No national roll-out is ever straightforward, and it is always challenging to bring together a vast array of benefits into a single system, but the benefits of universal credit are clear: more people in work, and more people on the lowest incomes with more money in their pockets. That is why I am here to oppose the Opposition's motion.

3.37 pm

**Grahame Morris** (Easington) (Lab): I am grateful to be able to speak in this important debate. I fully understand why tempers are high, given the terrible impact that universal credit has had. Ministers' assurances about mitigating the impact of universal credit do not square with many people's experience. Indeed, the Department's own surveys have found that 40% of claimants are experiencing financial difficulties, that 25% cannot make an online claim—I think the rate is higher in Easington—and that 20%, or one in five, are not paid in full on time. Despite the Secretary of State's assurances, the Department cannot measure the exact number of additional people in employment as a direct result of universal credit.

In my limited time, I must thank the charities, advice groups and campaigners who are supporting my constituents to get by on universal credit. In particular, I thank the East Durham Trust's Malcolm Fallow, its excellent team of full-time support workers and its exceptional volunteers. Without their advocacy, and benefit and debt advice, many families in my constituency would not have a roof over their heads, or electricity

and gas on the meter. Through the East Durham Trust food bank, people have been able to put food on the table to feed their family.

Thousands of people will be waiting for health assessments for UC or ESA, so I have some practical advice, as the Secretary of State said she wanted some suggestions. While the current system remains, claimants must take steps to protect themselves. In a written answer I received on 28 March from the Minister for Disabled People, I was advised:

"Anyone who is called for a work capability assessment as part of their claim for Employment and Support Allowance and Universal Credit, receives an information leaflet about the assessment process. This leaflet includes details of how they can request that their assessment is recorded."

I would advise anyone undergoing an assessment to get it recorded. I have dealt with cases where individuals have gone from zero points to 15 points, and without the recording it would not have been possible to challenge the original decision. In addition, the health assessor commissioned by the Department should provide recording equipment and answer any questions that a person has. Unfortunately, although the Department claims to be digital by default, claimants who want to make a recording of the PIP assessment have to provide their own recording equipment. That is absolutely ridiculous. I am in little doubt that that is a deliberate barrier to prevent people making claims. I urge Members to support the motion.

3.40 pm

**David Linden** (Glasgow East) (SNP): In a week when chaos reigns in this Government, it seems only fitting that we talk about the policy most in chaos—universal credit. I must say to the Secretary of State that if one of my constituents went into Shettleston jobcentre and lied to their work coach, they would find that they had been sanctioned and the Government would then come down on them like a ton of bricks. The hon. Member for East Renfrewshire (Paul Masterton) talked about us recognising work coaches, but my problem is not with them—they do a fantastic job—but with the ideology that comes from the Department for Work and Pensions, which is taken forward by the work coaches on behalf of the Government.

The sheer misery of full UC roll-out is due to be unleashed in Glasgow later this year, so my message to the Secretary of State today could not be clearer: halt the roll-out of UC in Glasgow and fix it now. This callous Tory Government cannot sit idly by and watch as UC continues to cause social destruction within our communities. The evidence from charities, stakeholders and constituents is overwhelming: universal credit is pushing people into crisis, and crisis appears to be the new normal. Indeed, under this Government, food banks appear to be the new normal. Data from the Trussell Trust shows that where full UC roll-out is in place, the food banks have seen an average increase in usage of 52%. Glasgow North East food bank in my constituency is already at breaking point, and that is before this Government have even moved to full UC roll-out.

I want to briefly turn to the issue of housing and the impact that UC has on our housing associations. I am incredibly fortunate to have a strong network of small, local housing associations in my constituency—my biggest challenge is getting round to visit them all. If one message they give me is crystal clear, it is that UC is



[David Linden]

pushing tenants into rent arrears and putting financial pressure on our housing associations. I have repeatedly invited the Minister for Employment to come to my constituency to see and hear at first hand the concerns of housing associations in Greater Easterhouse about full UC roll-out. I am told that he is coming to Scotland soon, and I wonder if he might even be willing, when he sums up, to put on record when he will be coming to Easterhouse to speak to the Easterhouse Housing and Regeneration Alliance and listen to its concerns. I am sure he does take them seriously.

I am conscious that colleagues want to speak and as I do not want to be a tadger by taking up too much time, I would just say that UC's credibility lies in tatters, as does the Secretary of State's reputation, so she should do the right thing and resign.

3.43 pm

**Ruth George** (High Peak) (Lab): I hope that everyone on both sides of the House would agree that a Secretary of State with responsibility to all the people of this country should at the very least be listening to the NAO's advice, to the evidence from the Department's widespread survey and to the mountains of evidence from third parties of overwhelming hardship and suffering under UC. The DWP's own survey showed that 40% of claimants were in hardship after nine months on UC, including more than half of disabled claimants, so it is hard to disagree with the NAO, which said that the DWP has not shown a

"commitment to listening and responding to the hardship faced by claimants."

The head of the NAO said:

"Maybe a change of mindset will follow the publication of the claimant survey".

Unfortunately, so far, in the Secretary of State's statement and DWP questions last week, we have not seen that change of heart, but I hope that, in the spirit in which she has responded today, we will start to see some listening and some learning.

A false claim about the speed of the roll-out was made not once but multiple times. When I asked the then Parliamentary Under-Secretary of State, the hon. Member for North West Hampshire (Kit Malthouse), about the level of hardship among those on universal credit, I was told that

"the close and constructive relationship between work coaches and their clients should enable them as a team to get through any hardship that arises."—[*Official Report*, 2 July 2018; Vol. 644, c. 10.]

That shows a staggering lack of listening among Ministers to what is going on in the evidence before them. As work coaches are due to see their claimant numbers increase from 85 clients per work coach to 373 clients per work coach, it will be impossible for them to have any sort of close relationship. We need a system that works.

The Secretary of State told the Select Committee this morning that she wants to listen to claimants' experiences and to learn and said that the most disabled people will be better off under universal credit. I look forward to both those eventualities. Before coming to the House, I worked to support people on tax credits and universal credit. I set up the all-party group on universal credit to

work across party lines to make the changes that are needed to really support people who can work and those who cannot. I look forward to working with the Secretary of State and the DWP team to make sure that we see those changes happen before universal credit is rolled out to 10 million adults and half of all children.

3.46 pm

**Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): It has been interesting to hear Government Members talk about tweaking, making adjustments and listening and so forth, because universal credit is nothing new for some people. My constituency has been suffering from it for more than five years, from pilot through to full service roll-out. I was leader of Highland Council when the pilot was unveiled, and we noticed the problems, particularly with housing, right away. We wrote letters to the DWP and spoke to Ministers in meetings, telling them of the problems. We made suggestions and cajoled and pleaded with them to listen to us.

I was looking back and found that since 2015 I have spoken in 35 debates about universal credit, asked dozens of oral and written questions about it and signed 13 different early-day motions on it. I led the Scottish National party Opposition day debate on universal credit, in addition to securing two Adjournment debates on the impact it has had on my constituents—the pain and suffering it has caused and its impact on disabled people and the low-waged. Unfortunately, not everyone has sought help because some people have not known how to do it, but those who have come for help have seen extraordinary difficulties.

I invited all Government MPs to come to a summit in Inverness and hear at first hand from the agencies and the people involved about the pain that they were going through, but that was ignored. After this period, I have come to the conclusion that the Government do not want to listen. They are determined to make sure that austerity falls on the backs of the low-waged and the disabled—those people who are most vulnerable in our society.

**Alan Brown** (Kilmarnock and Loudoun) (SNP): My hon. Friend is right that the Government clearly have not listened. Did the changes that the Secretary of State brags about not come about only because the Government were defeated in the High Court when they were infringing people's human rights?

**Drew Hendry:** I thank my hon. Friend for making that point. As I have said, we have been through the pilot and the pain of live service to the absolutely crushing delivery of full service. Resources are stretched; the jobcentre is open seven days a week; the Highland Council welfare team is stretched to the limit; staff at our constituency office are working outside hours to try to cope with the excess of inquiries; and the citizens advice bureau is under extreme pressure. All have struggled with universal credit. The Highland Council housing team has tried desperately to deal with a broken landlord system, and Highland Council rent arrears are now in the millions of pounds.

We have seen evictions, people unable to feed and clothe their children, families made destitute and poverty driving people into mental health difficulties. What is

the Government's response: "You're wrong. They're wrong. It's not happening. You're scaremongering." Well, that is the reality for people on universal credit; that is what is happening to them. People are suffering unimaginable hardship at the hands of this Government's policies, and it has changed and damaged our community.

Earlier, the Secretary of State said that universal credit makes people more economically secure in life. Let me tell that to John who had 42p to last a fortnight, or to Gavin who was given £60 for a £175 rental bill. He had nothing else; he was in debt already. He cannot even eat, let alone turn on the power or do anything else. What about Ian and his two-year-old who had to rely on food banks and go for days without electricity? A woman from Grantown-on-Spey had to travel to Inverness to hand in childcare vouchers. It was an hour and a half each way on public transport—three hours on a bus—and the jobcentre then lost her claim. What do we say to those who are terminally ill who are asked to report to work coaches?

This affects people. More and more people are falling into poverty. Food banks are becoming a necessity rather than a helping hand. I have seen self-employed people lose their payment because their annual income has been counted as monthly income. The problems go on and on. The Secretary of State, from what she has said over the past week, has been at her worst. She should go, as should this failed, miserable system.

3.51 pm

**Mike Amesbury** (Weaver Vale) (Lab): Despite being new at the Dispatch Box, I am under no illusion about the fact that people inside and outside this Chamber may shortly have plans to watch something other than my response to today's debate. I will seek to respond in a manner that is timely, but that also does justice to the many thousands of people for whom the realities of universal credit are more than just a game—they are an everyday injustice.

Regardless of the result tonight—and I wish my team England well—we can all appreciate the manner in which Gareth Southgate has taken over an underperforming team and turned it around. If only those in charge at the DWP had a similar approach to leadership and accountability. Over the past week, we have seen a Secretary of State who, when called on to show leadership and humility, chose to lecture rather than to listen, to sow division rather than to build consensus and refuse to make a thorough apology at every point.

In fact, the Secretary of State's attempts to explain away a number of misinterpretations of the National Audit Office facts were so fantastical that they reminded me of an episode of the children's programme "Jackanory" or of Trumpisms, as my right hon. Friend the Member for Birkenhead (Frank Field) would phrase them. I am talking about a world where pause and slow are fast; where failure is success; and where sign-off is tune out, forget and denial. It is a place where the trusted and respected National Audit Office, armed with empirical data and facts to give good counsel, is almost dismissed as an agent of fake news.

We have the evidence and facts that were signed off by the DWP on 8 June. Here are some of the facts: 113,000 claimants paid late and two thirds of disabled people with limited capacity to work not paid

on time. Then there is the continual claim, well documented by Members in the House, that 200,000 people have been put into work, which is not evidenced and not proven.

The contributions today show just how important it is that this Government radically fix and pause universal credit. We are not short of evidence that the current system is failing. The current impact of the roll-out of universal credit has united housing associations across the UK. They are clear that this policy is causing debt, suffering and hardship for the families they house. The Child Poverty Action Group's early warning system is pointing towards what it says is likely to be a systemic problem.

The Secretary of State may have struggled to accept the NAO's criticism last week in its unprecedented open letter, but there can be no room for misinterpreting what we have heard today from many MPs across the Chamber: tale after tale of delays, refusals and mistakes, causing suffering, hardship and misery to the very people this policy is supposed to support.

Last week, the Secretary of State went to great lengths to defend this policy, by explaining how universal credit must be judged on the most up-to-date information. Well, it was, and the Department signed it off. The cases and experiences that have been raised today show what is happening here, out there and now. We are talking about real lives, real time and real people—not crocodile tears. It is time to stop. It time to pause. It is time to fix it.

3.55 pm

**The Minister for Employment (Alok Sharma)**: I believe that each of us in this House, whatever our political persuasion, came into politics to help build a fairer society. Indeed, that sense of fairness is part of the very DNA of the British people, and the desire for fairness extends to our welfare system—a system where we support the vulnerable, those looking to get into work and those wanting to increase their hours. That is precisely what universal credit does. It takes a complicated benefits system and simplifies it. Under this system, the claimant is provided with one-to-one support for the first time by their work coach. This support is making a real difference to progress into employment and is increasing people's earnings.

We have published research that shows that, once people are on universal credit, they get into work fast and stay in work longer and that they will be earning more. Just last month, we published a survey that showed that the percentage of those in employment almost doubles between the point of making the claim and nine months into universal credit. For every extra hour worked, people get to keep more of their own money. Under universal credit, work absolutely pays.

The Opposition have said that we are ploughing ahead with the universal credit roll-out. This argument simply does not hold water. We are listening, learning and improving, getting the delivery of universal credit right, with a roll-out taking place at a measured rate. Let me give an example. In the autumn Budget, we announced a £1.5 billion package of extra support for claimants. My right hon. Friend the Secretary of State has set out precisely what was in that package. We listened; we acted; and we helped claimants.

**Several hon. Members** *rose*—

**Alok Sharma:** I will not give way.

What did the Opposition do? They cynically voted against the regulations that allowed the £1.5 billion of support to be made available to claimants. I get that the Opposition are there to oppose, but that should not be at the cost of helping the very people they claim to represent. Opposition Members have raised individual cases of claimants who have been suffering hardship. How many of those hon. Members have looked those individual claimants in the eye and explained why they voted to deny them the help and support that they needed? *[Interruption.]*

**Madam Deputy Speaker (Dame Eleanor Laing):** Order. The Minister has listened to all the questions and is now answering them, so he should not be shouted at by hon. Members on either side of the House.

**Alok Sharma:** Let us talk about the help that the work coaches are giving. The NAO report says:

“A survey of live service claimants found that claimant satisfaction levels were similar to those on legacy benefits and in our visits to jobcentres we observed good relationships between work coaches and claimants.”

The support is available, and it is working and helping people to get into work.

**Neil Coyle** *rose*—

**David Linden:** Will the Minister give way?

**Alok Sharma:** No, I will not give way.

Thanks to the policies of this Conservative Government, we are at record levels of employment. Once universal credit is fully rolled out, we will support another 200,000 people into work. The tone and the wording of Labour's motion today has been disappointing and, frankly, ill-judged in personally attacking my right hon. Friend the Secretary of State.

My right hon. Friend set out in her speech some of the positive changes that she has made, with the support of the whole brilliant DWP team. She has instigated these changes since coming into her role. Labour Members should actually be thanking her for her proactivity, not seeking to censure her today. They have offered absolutely no solutions today—just scaremongering. Their only answer appears to be to let people languish in a legacy system that effectively washes its hands of them.

When we go forward with universal credit, of course we are going to listen. But at the heart of universal credit there lies a very simple but incredibly powerful idea—that we should help people to achieve their full potential, and that is precisely what this Government are going to do.

*Question put.*

*The House divided: Ayes 268, Noes 305.*

**Division No. 207]**

**[4 pm**

**AYES**

Abbott, rh Ms Diane	Barron, rh Sir Kevin
Ali, Rushanara	Beckett, rh Margaret
Allin-Khan, Dr Rosena	Benn, rh Hilary
Amesbury, Mike	Berger, Luciana
Antoniazzi, Tonina	Betts, Mr Clive
Ashworth, Jonathan	Blackman, Kirsty
Bailey, Mr Adrian	Blackman-Woods, Dr Roberta
Bardell, Hannah	Blomfield, Paul

Brabin, Tracy	Gardiner, Barry
Bradshaw, rh Mr Ben	George, Ruth
Brake, rh Tom	Gibson, Patricia
Brock, Deidre	Gill, Preet Kaur
Brown, Alan	Glendon, Mary
Brown, Lyn	Godsiff, Mr Roger
Brown, rh Mr Nicholas	Goodman, Helen
Bryant, Chris	Grady, Patrick
Buck, Ms Karen	Gray, Neil
Burden, Richard	Green, Kate
Burgon, Richard	Greenwood, Lilian
Butler, Dawn	Greenwood, Margaret
Byrne, rh Liam	Griffith, Nia
Cable, rh Sir Vince	Grogan, John
Cadbury, Ruth	Haigh, Louise
Cameron, Dr Lisa	Hamilton, Fabian
Campbell, rh Mr Alan	Hanson, rh David
Campbell, Mr Ronnie	Harman, rh Ms Harriet
Carden, Dan	Harris, Carolyn
Carmichael, rh Mr Alistair	Hayes, Helen
Champion, Sarah	Hayman, Sue
Chapman, Douglas	Healey, rh John
Chapman, Jenny	Hendry, Drew
Charalambous, Bambos	Hepburn, Mr Stephen
Cherry, Joanna	Hill, Mike
Coaker, Vernon	Hillier, Meg
Coffey, Ann	Hobhouse, Wera
Cooper, Julie	Hodge, rh Dame Margaret
Cooper, rh Yvette	Hodgson, Mrs Sharon
Corbyn, rh Jeremy	Hoey, Kate
Cowan, Ronnie	Hollern, Kate
Coyle, Neil	Hosie, Stewart
Creagh, Mary	Howarth, rh Mr George
Creasy, Stella	Huq, Dr Rupa
Cruddas, Jon	Hussain, Imran
Cryer, John	Jardine, Christine
Cummins, Judith	Jarvis, Dan
Cunningham, Alex	Jones, Darren
Cunningham, Mr Jim	Jones, Gerald
Daby, Janet	Jones, Graham P.
Dakin, Nic	Jones, rh Mr Kevan
Davey, rh Sir Edward	Jones, Sarah
David, Wayne	Jones, Susan Elan
Davies, Geraint	Keeley, Barbara
De Cordova, Marsha	Kendall, Liz
De Piero, Gloria	Khan, Afzal
Dent Coad, Emma	Killen, Ged
Dhesi, Mr Tanmanjeet Singh	Kinnock, Stephen
Dodds, Anneliese	Kyle, Peter
Doughty, Stephen	Laird, Lesley
Dowd, Peter	Lake, Ben
Drew, Dr David	Lamb, rh Norman
Dromey, Jack	Lammey, rh Mr David
Duffield, Rosie	Lavery, Ian
Eagle, Ms Angela	Lee, Karen
Eagle, Maria	Leslie, Mr Chris
Edwards, Jonathan	Lewell-Buck, Mrs Emma
Efford, Clive	Lewis, Clive
Ellman, Dame Louise	Linden, David
Esterson, Bill	Lloyd, Stephen
Evans, Chris	Lloyd, Tony
Farrelly, Paul	Long Bailey, Rebecca
Farron, Tim	Lucas, Caroline
Field, rh Frank	Lucas, Ian C.
Fitzpatrick, Jim	Lynch, Holly
Fletcher, Colleen	MacNeil, Angus Brendan
Flint, rh Caroline	Madders, Justin
Fovargue, Yvonne	Mahmood, Mr Khalid
Frith, James	Mahmood, Shabana
Furniss, Gill	Malhotra, Seema
Gaffney, Hugh	Mann, John
Gapes, Mike	Marsden, Gordon



Martin, Sandy  
Maskell, Rachael  
Matheson, Christian  
Mc Nally, John  
McCabe, Steve  
McCarthy, Kerry  
McDonagh, Siobhain  
McDonald, Andy  
McDonald, Stewart Malcolm  
McDonald, Stuart C.  
McDonnell, rh John  
McFadden, rh Mr Pat  
McGinn, Conor  
McGovern, Alison  
McInnes, Liz  
McKinnell, Catherine  
McMahon, Jim  
McMorrin, Anna  
Mearns, Ian  
Miliband, rh Edward  
Moon, Mrs Madeleine  
Moran, Layla  
Morden, Jessica  
Morgan, Stephen  
Morris, Grahame  
Murray, Ian  
Nandy, Lisa  
Newlands, Gavin  
Norris, Alex  
O'Hara, Brendan  
O'Mara, Jared  
Onasanya, Fiona  
Onn, Melanie  
Onwurah, Chi  
Osamor, Kate  
Owen, Albert  
Peacock, Stephanie  
Pearce, Teresa  
Pennycook, Matthew  
Perkins, Toby  
Phillipson, Bridget  
Platt, Jo  
Pollard, Luke  
Pound, Stephen  
Qureshi, Yasmin  
Rashid, Faisal  
Rayner, Angela  
Reed, Mr Steve  
Rees, Christina  
Reeves, Ellie  
Reeves, Rachel  
Reynolds, Emma  
Reynolds, Jonathan  
Rodda, Matt  
Rowley, Danielle  
Ruane, Chris

Russell-Moyle, Lloyd  
Ryan, rh Joan  
Saville Roberts, Liz  
Sharma, Mr Virendra  
Sheerman, Mr Barry  
Sheppard, Tommy  
Sherriff, Paula  
Siddiq, Tulip  
Skinner, Mr Dennis  
Slaughter, Andy  
Smeeth, Ruth  
Smith, Angela  
Smith, Eleanor  
Smith, Jeff  
Smith, Laura  
Smith, Nick  
Smith, Owen  
Smyth, Karin  
Snell, Gareth  
Sobel, Alex  
Spellar, rh John  
Starmer, rh Keir  
Stephens, Chris  
Stevens, Jo  
Stone, Jamie  
Streeting, Wes  
Stringer, Graham  
Sweeney, Mr Paul  
Tami, Mark  
Thewliss, Alison  
Thomas, Gareth  
Thomas-Symonds, Nick  
Thornberry, rh Emily  
Timms, rh Stephen  
Trickett, Jon  
Turley, Anna  
Turner, Karl  
Twigg, Stephen  
Twist, Liz  
Umunna, Chuka  
Vaz, Valerie  
Walker, Thelma  
Watson, Tom  
West, Catherine  
Whitehead, Dr Alan  
Whitfield, Martin  
Williams, Hywel  
Williams, Dr Paul  
Wilson, Phil  
Woodcock, John  
Yasin, Mohammad  
Zeichner, Daniel

**Tellers for the Ayes:**  
**Vicky Foxcroft and**  
**Thangam Debbonaire**

#### NOES

Adams, Nigel  
Afolami, Bim  
Afriyie, Adam  
Aldous, Peter  
Allan, Lucy  
Allen, Heidi  
Amess, Sir David  
Andrew, Stuart  
Argar, Edward  
Atkins, Victoria  
Bacon, Mr Richard  
Badenoch, Mrs Kemi  
Baker, Mr Steve  
Baldwin, Harriett  
Barclay, Stephen  
Baron, Mr John  
Bebb, Guto  
Bellingham, Sir Henry  
Benyon, rh Richard  
Beresford, Sir Paul  
Berry, Jake  
Blackman, Bob  
Blunt, Crispin  
Boles, Nick  
Bone, Mr Peter  
Bottomley, Sir Peter

Bowie, Andrew  
Bradley, Ben  
Bradley, rh Karen  
Brady, Sir Graham  
Braverman, Suella  
Brereton, Jack  
Bridgen, Andrew  
Brine, Steve  
Brokenshire, rh James  
Bruce, Fiona  
Buckland, Robert  
Burghart, Alex  
Burns, Conor  
Burt, rh Alistair  
Cairns, rh Alun  
Cartledge, James  
Cash, Sir William  
Caulfield, Maria  
Chalk, Alex  
Chishti, Rehman  
Chope, Sir Christopher  
Churchill, Jo  
Clark, Colin  
Clark, rh Greg  
Clarke, rh Mr Kenneth  
Clarke, Mr Simon  
Cleverly, James  
Clifton-Brown, Sir Geoffrey  
Coffey, Dr Thérèse  
Collins, Damian  
Costa, Alberto  
Courts, Robert  
Cox, Mr Geoffrey  
Crabb, rh Stephen  
Crouch, Tracey  
Davies, Chris  
Davies, David T. C.  
Davies, Glyn  
Davies, Mims  
Davies, Philip  
Dinenage, Caroline  
Djanogly, Mr Jonathan  
Docherty, Leo  
Dodds, rh Nigel  
Donelan, Michelle  
Dorries, Ms Nadine  
Double, Steve  
Dowden, Oliver  
Doyle-Price, Jackie  
Drax, Richard  
Duddridge, James  
Duguid, David  
Duncan, rh Sir Alan  
Duncan Smith, rh Mr Iain  
Dunne, Mr Philip  
Ellis, Michael  
Ellwood, rh Mr Tobias  
Elphicke, Charlie  
Eustice, George  
Evans, Mr Nigel  
Evennett, rh Sir David  
Fabricant, Michael  
Fallon, rh Sir Michael  
Field, rh Mark  
Foster, Kevin  
Fox, rh Dr Liam  
Francois, rh Mr Mark  
Frazer, Lucy  
Freeman, George  
Freer, Mike  
Fysh, Mr Marcus  
Gale, Sir Roger  
Garnier, Mark  
Gauke, rh Mr David  
Ghani, Ms Nusrat  
Gibb, rh Nick  
Gillan, rh Dame Cheryl  
Glen, John  
Goldsmith, Zac  
Goodwill, rh Mr Robert  
Gove, rh Michael  
Graham, Luke  
Graham, Richard  
Grant, Bill  
Grant, Mrs Helen  
Gray, James  
Grayling, rh Chris  
Green, Chris  
Green, rh Damian  
Greening, rh Justine  
Grieve, rh Mr Dominic  
Griffiths, Andrew  
Gyimah, Mr Sam  
Hair, Kirstene  
Halfon, rh Robert  
Hall, Luke  
Hammond, rh Mr Philip  
Hammond, Stephen  
Hancock, rh Matt  
Hands, rh Greg  
Harper, rh Mr Mark  
Harrington, Richard  
Harris, Rebecca  
Harrison, Trudy  
Hart, Simon  
Hayes, rh Mr John  
Heald, rh Sir Oliver  
Heapey, James  
Heaton-Harris, Chris  
Heaton-Jones, Peter  
Henderson, Gordon  
Herbert, rh Nick  
Hinds, rh Damian  
Hoare, Simon  
Hollingbery, George  
Hollinrake, Kevin  
Hollobone, Mr Philip  
Holloway, Adam  
Howell, John  
Huddleston, Nigel  
Hughes, Eddie  
Hurd, rh Mr Nick  
Jack, Mr Alister  
James, Margot  
Javid, rh Sajid  
Jayawardena, Mr Ranil  
Jenkin, Sir Bernard  
Jenkyins, Andrea  
Jenrick, Robert  
Johnson, rh Boris  
Johnson, Dr Caroline  
Johnson, Gareth  
Johnson, Joseph  
Jones, Andrew  
Jones, rh Mr David  
Jones, Mr Marcus  
Kawczynski, Daniel  
Keegan, Gillian  
Kennedy, Seema  
Kerr, Stephen  
Knight, rh Sir Greg  
Knight, Julian  
Kwarteng, Kwasi  
Lamont, John

Lancaster, rh Mark  
Latham, Mrs Pauline  
Leadsom, rh Andrea  
Lefroy, Jeremy  
Leigh, Sir Edward  
Letwin, rh Sir Oliver  
Lewer, Andrew  
Lewis, rh Brandon  
Lewis, rh Dr Julian  
Liddell-Grainger, Mr Ian  
Lidington, rh Mr David  
Lopez, Julia  
Lopresti, Jack  
Lord, Mr Jonathan  
Loughton, Tim  
Mackinlay, Craig  
Maclean, Rachel  
Main, Mrs Anne  
Mak, Alan  
Malthouse, Kit  
Mann, Scott  
Masterton, Paul  
Maynard, Paul  
McLoughlin, rh Sir Patrick  
McVey, rh Ms Esther  
Menzies, Mark  
Mercer, Johnny  
Merriman, Huw  
Metcalfe, Stephen  
Miller, rh Mrs Maria  
Milton, rh Anne  
Mitchell, rh Mr Andrew  
Moore, Damien  
Mordaunt, rh Penny  
Morgan, rh Nicky  
Morris, Anne Marie  
Morris, David  
Morris, James  
Morton, Wendy  
Mundell, rh David  
Murray, Mrs Sheryll  
Murrison, Dr Andrew  
Neill, Robert  
Newton, Sarah  
Nokes, rh Caroline  
Norman, Jesse  
O'Brien, Neil  
Offord, Dr Matthew  
Opperman, Guy  
Parish, Neil  
Patel, rh Priti  
Paterson, rh Mr Owen  
Pawsey, Mark  
Penning, rh Sir Mike  
Penrose, John  
Percy, Andrew  
Perry, rh Claire  
Philp, Chris  
Pincher, Christopher  
Poulter, Dr Dan  
Pow, Rebecca  
Prentis, Victoria  
Prisk, Mr Mark  
Pursglove, Tom  
Quin, Jeremy  
Quince, Will  
Raab, Dominic  
Redwood, rh John  
Rees-Mogg, Mr Jacob  
Robertson, Mr Laurence

Robinson, Gavin  
Robinson, Mary  
Rosindell, Andrew  
Ross, Douglas  
Rowley, Lee  
Rudd, rh Amber  
Rutley, David  
Sandbach, Antoinette  
Scully, Paul  
Seely, Mr Bob  
Selous, Andrew  
Shapps, rh Grant  
Sharma, Alok  
Shelbrooke, Alec  
Simpson, rh Mr Keith  
Skidmore, Chris  
Smith, Chloe  
Smith, Henry  
Smith, rh Julian  
Soames, rh Sir Nicholas  
Spelman, rh Dame Caroline  
Spencer, Mark  
Stephenson, Andrew  
Stevenson, John  
Stewart, Bob  
Stewart, Iain  
Stewart, Rory  
Streeter, Mr Gary  
Stride, rh Mel  
Stuart, Graham  
Sturdy, Julian  
Sunak, Rishi  
Swayne, rh Sir Desmond  
Swire, rh Sir Hugo  
Syms, Sir Robert  
Thomas, Derek  
Thomson, Ross  
Throup, Maggie  
Tolhurst, Kelly  
Tomlinson, Justin  
Tomlinson, Michael  
Tracey, Craig  
Tredinnick, David  
Trevelyan, Mrs Anne-Marie  
Truss, rh Elizabeth  
Tugendhat, Tom  
Vaizey, rh Mr Edward  
Vara, Mr Shailesh  
Vickers, Martin  
Villiers, rh Theresa  
Walker, Mr Charles  
Walker, Mr Robin  
Wallace, rh Mr Ben  
Warburton, David  
Warman, Matt  
Watling, Giles  
Whately, Helen  
Wheeler, Mrs Heather  
Wiggin, Bill  
Wilson, rh Sammy  
Wollaston, Dr Sarah  
Wood, Mike  
Wragg, Mr William  
Wright, rh Jeremy  
Zahawi, Nadhim

**Tellers for the Noes:**  
**Amanda Milling and  
Craig Whittaker**

## Defence Industry and Shipbuilding

4.16 pm

**Nia Griffith** (Llanelli) (Lab): I beg to move,

That this House recognises the important contribution of the defence industry to the UK; calls on the Government to support the UK defence industry by taking into account the economic and employment benefits to the UK when awarding contracts and to publish a full, overarching defence industrial strategy; and further calls on the Government to make the competition for the Fleet Solid Support ships contract a UK-only competition to maximise the return on that contract.

Today could be a significant step forward for things coming home. Of course, I am talking about the contract for the fleet solid support ships. As a proud island nation, the UK shipbuilding industry is vital for our prosperity and defence—a message that workers' representatives from the shipyards spelled out loudly and clearly to Members yesterday. The industry makes a substantial economic contribution, directly employing some 23,000 people and contributing £1.7 billion a year to the UK economy.

Throughout our history and to the present day, the industry has supplied our Royal Navy with the ships that it requires, thereby playing a crucial role in the defence of these islands. Our ships contribute to many NATO and EU missions, including Operation Atalanta, which combats piracy in the gulf of Aden and off the horn of Africa, and they were vital in the humanitarian relief efforts following last year's hurricanes in the Caribbean.

In the light of events this week, I will not suggest which ship the Government most closely resemble, but the phrase “rearranging the deckchairs” comes to mind. I know that Members on both sides of the House want the industry to thrive, and the Government have an important role to play in that regard. I was disappointed to hear in Defence questions on Monday that the Government will not publish the conclusions of the modernising defence programme this week, as had long been promised. Instead, we have the Secretary of State's less than inspiring commitment of “aiming to” introduce the headline findings before the summer recess. We wait with bated breath.

**John Redwood** (Wokingham) (Con): I welcome the Opposition's approach. We want a strong Navy and more ships built in Britain. Anything we can do together to achieve that will be greatly welcome, and I trust that the Government will agree.

**Nia Griffith:** I thank the right hon. Gentleman for his excellent intervention.

I hope that the delay will allow Ministers to reflect on the overwhelming case for an active defence industrial strategy that recognises the immense value of building in Britain and takes a longer term view of the orders that the Government will place, giving industry the confidence to invest in the UK and to plan for a steady stream of work.

Long-term planning is vital, not just for the prime contractors but for the supply chain companies and foundation industries such as the steel industry. It gives them the time to gear up to fulfil orders, and the certainty that they need to justify additional investment. A clear strategy needs to balance getting the very best

*Question accordingly negated.*

value for the taxpayer—a crucial consideration, especially when the defence budget is under such strain—with the needs of our armed forces and defences. This would allow us to defend sovereign capabilities, support UK manufacturing and continue to develop the highly skilled jobs and apprenticeships that allow us to compete on the global stage. Research and development must be at the heart of any industrial strategy, promoting links with our universities and technical colleges. We should recognise the need to plan for the skill sets we will need in the future, and to inspire our young people, both girls and boys, with the challenge and excitement of pursuing a career in our world industry.

We have had the national shipbuilding strategy and the combat air strategy is being developed, so rather than just the defence industrial refresh it would make perfect sense for the Government to come forward with an overarching and far-reaching defence industrial strategy that would give industry the certainty it requires.

**Mr Jim Cunningham** (Coventry South) (Lab): I do not know whether my hon. Friend has noticed, but Rolls-Royce is in the market to sell off its industrial marine division—the power generation division. Nobody knows yet who is likely to buy it, but it is likely that once again our defence is going to be manufactured abroad instead of being protected in this country.

**Nia Griffith:** My hon. Friend makes a very good point about the need for certainty and long-term planning, so we can give business the confidence to invest here.

As well as ensuring that our armed forces have the very best equipment, a core objective of our defence industrial strategy should be to promote our national prosperity. We can only do that properly if we factor in the true value of defence contracts to the UK economy. Buying British is not just about the basic fact that a UK-based company will pay UK tax; it is also about the broader economic and social benefits, and the value of the skills and apprenticeships that the industry creates.

**Chris Stephens** (Glasgow South West) (SNP): Is it not the case that if the fleet solid support ships were built in the UK, 20% of that cost could be recovered by the workers working on those ships paying tax and national insurance?

**Nia Griffith:** Indeed—at least that amount.

Reports by Oxford Economics highlight that the UK defence industry has an output multiplier of 2.3, meaning that £100 million in UK industry generates some £230 million to the UK economy. Its reports also highlight that each additional job created in the manufacturing element of the defence industry results in a further 1.8 jobs being created in the wider economy.

At present, the Government do not routinely factor in these wider socioeconomic values when making a procurement decision. We on the Labour Benches believe that to be a serious mistake. It is particularly anomalous when companies that bid with the Ministry of Defence are quite used to having to set out the socioeconomic value of contracts when bidding with Governments of other countries. Labour is committed to expanding the definition of good value to include wider employment, industrial or economic factors when making procurement decisions.

**Mr Philip Dunne** (Ludlow) (Con): I am listening very attentively to what the hon. Lady is saying. I am sure she will be aware that in March this year HM Treasury published, after a seven year review, a new definition of managing public money, which specifically allows, under UK procurement rules, for the concept of social value to be taken into account. She is therefore asking the Government to do something they have already decided to.

**Nia Griffith:** I thank the hon. Gentleman for his intervention and I congratulate him on his excellent report, which he presented on Monday. I note that in it he recommends that UK prosperity should be taken into account in all major procurement decisions. I welcome that statement.

**Mr Kevan Jones** (North Durham) (Lab): The hon. Member for Ludlow (Mr Dunne) raises an interesting point, but the issue is not so much about the policy as about the implementation of it. That is what the Treasury and others have got to start doing.

**Nia Griffith:** Indeed. When we speak to defence contractors, we find it is a sad fact that they are not being required to put those details into the bids they make. We very much hope to see that change. I hope that this is an urgent step on that way. The approach has been endorsed by the Defence Committee and has received the support of the trade body, ADS, as well as the defence trade unions such as Unite, GMB and Prospect.

The contract for the fleet solid support ships would bring immense value to this country if it were awarded to a UK bidder. Our carriers, frigates and destroyers will, of course, always be built in the UK, but with ships such as the fleet solid support vessels, the Government have a choice to make, and Labour Members believe that they are making the wrong one by choosing to put this order out to international competition. I know that some in the Conservative party like to blame everything on the European Union, but the fact is that the Government would be able to procure these ships in the UK under existing EU law, and there are compelling reasons for doing so. The GMB trade union has estimated that the ships would support 6,700 jobs if they were built in UK yards and up to £285 million of the £800 million potential UK spend would be returned to the Treasury through taxation.

The case for buying British is clear, and it would be a betrayal of our UK workers if this contract were allowed to go overseas, so we need to question what is really driving Ministers to put this out to overseas bidders. Perhaps it is the view that there will be a lower price tag for the MOD. We all want to get the best value for money, and we are aware of the difficulties that the MOD is having in balancing its budget, but this short-sighted, narrow, silo mentality about what might look good on the MOD's balance sheet ignores both the benefits to the UK economy of building the ships in Britain and the costs of not doing so. We as taxpayers all want to see value for our money, and taxpayers up and down the country would far rather see that money spent on supporting skilled jobs for workers here in the UK than see it spent abroad, knowing that some 30% of the money spent on wages will come back directly to the



[*Nia Griffith*]

Treasury as taxation, and that the spending power of those workers and their families will sustain local businesses in their communities.

**Dr Julian Lewis** (New Forest East) (Con): I am very sympathetic to the case that the hon. Lady is making, but the consequence of going down the route that she recommends, and which I am inclined to support, is that the black hole in the defence equipment budget will become even greater. If we accept that there needs to be an uplift in the defence budget to be able to make this sort of investment and get the long-term gains that she describes, will she confirm that her party's policy is to support an increase in the defence budget?

**Nia Griffith:** As I just outlined, it is extremely important that we take into account the way that the money can be brought back into the Treasury, and I very much hope that the right hon. Gentleman's message will be well understood by Government Front Benchers.

I will make a bit of progress. As taxpayers, we all want to see value for our money, but we recognise the consequences if we do not spend the money in the UK—the immediate impact on workers and their families, with workers unemployed or able only to find much lower-paid work, leaving them and their families much more reliant on social security payments and tax credits. All that is a cost to the taxpayer and, sadly, there are all too often the hidden costs of the increased risk of mental health problems and family break-up. While workers and their families will take the hardest hit, the wider consequences will be far-reaching and long term. Shipyards will close. We will lose a skilled workforce and a generation of apprentices.

If UK companies do not win these contracts, they will have less money to spend on research and development, and that bodes ill for the future. We have to stay ahead in this game to stay in the game. We know that UK-based companies are interested in putting in a bid, but they will be less inclined to if they think that this order will simply be handed overseas, as happened with the MARS—Military Afloat Reach and Sustainability—tankers. Bidding is a lengthy and expensive process, and companies understandably do not want to take that risk if there is no chance that they will succeed. Awarding this contract to an overseas manufacturer would be particularly galling when we note the subsidies, both direct and indirect, that benefit many foreign yards.

To those who argue that UK companies should simply compete on a level playing field with international bidders, I say that the point is that currently the field is simply not level. For example, the South Korean shipbuilding industry has been the subject of a great deal of criticism for the level of state aid it receives. Shipbuilding is a significant element of the country's economy, and state-run lenders have injected billions of dollars into the industry. The Confederation of Shipbuilding and Engineering Unions has found that German yards benefit from targeted research and development, from funds for redeveloping and upgrading yards and from regional development funding, while significant potential bidders in Italy, France and Spain are owned in whole or part by their respective Governments. Rather than allowing this valuable contract to disappear overseas, the Government should do the right thing and put UK yards and workers first.

Of course, in this global marketplace, I recognise that not every contract can or should be delivered in the UK, and where we buy from abroad or work in collaboration with allies to develop assets, we should prioritise work-share agreements to create jobs and boost growth in the UK.

**Mr Kevan Jones:** Does my hon. Friend agree that the Government have a poor track record in doing what she suggests? Under the P-8 and Apache contracts with Boeing, for example, there is very little work share and very few jobs coming back into the UK.

**Nia Griffith:** Yes, indeed; as my hon. Friend says, the Government have a poor track record. It is a great shame that so many opportunities have been wasted.

**Mr Dunne:** I cannot allow that to stand. I was in post when the P-8 Poseidon contract was placed, and an integral part of the relationship with Boeing was an understanding, now being fulfilled through contracts, that it would make a significant investment in RAF Lossiemouth. As a result, £400 million is now going into that base, in part to support and maintain those aircraft and other aircraft operated by our allies. Those aircraft will be coming here to the UK to be maintained and serviced. That means UK jobs and UK investment.

**Nia Griffith:** It is incumbent on the Government, though, to look again and strain every muscle to get the very best work-share agreements wherever they exist.

**John Spellar** (Warley) (Lab): The argument from the hon. Member for Ludlow (Mr Dunne), whom I congratulate on his report, does not hold water. Of course, if we are buying these planes, we will need maintenance facilities, and if that is being done by industry, industry will provide those facilities, but they are service facilities for the RAF, and there might even be work from abroad. Where, though, are these planes being manufactured? They are being manufactured in the United States, with very little return of work coming to the UK. They have been allowed to get away with a very cheap deal.

**Nia Griffith:** On that note, I shall make progress.

**Douglas Ross** (Moray) (Con): Will the hon. Lady give way?

**Nia Griffith:** One more time.

**Douglas Ross:** As the Member of Parliament for Moray, which is home to RAF Lossiemouth, I have to take exception to the points made from the Labour Benches. This is a major investment—£400 million and hundreds of new jobs—in Moray and Scotland and is welcomed locally by every man, woman and child. They will look very poorly at the Labour party today trying to say it is not good enough for the area.

**Nia Griffith:** As my right hon. Friend the Member for Warley (John Spellar) clearly explained, a much better deal could have been done.

**Mr Paul Sweeney** (Glasgow North East) (Lab/Co-op): The hon. Member for Moray (Douglas Ross) talks about the benefits to his constituency, but what about the people who live near Woodford, the BAE Systems site in Manchester, who in 2010 watched as the Nimrod

MRA4 programme, 94% complete, was smashed up by JCBs and Britain's capacity to build large fixed-wing aircraft permanently destroyed? Was that not the total destruction of British industrial capability—something we are trying to avoid in this debate today?

**Nia Griffith:** My hon. Friend makes an excellent point, and now I shall conclude, as I am sure that hon. Members are thinking about what they will be watching later this evening.

When I was very young, I remember not only the excitement of England winning the World cup in 1966, but the I'm Backing Britain campaign. Before they go off to support the English football team this evening, I urge Members from across the House to recognise that the order for the fleet solid support ships represents a prime example of one that can and should be awarded here. I urge Members to back British industry and to vote to build them in Britain.

**Madam Deputy Speaker (Dame Eleanor Laing):** The question is as on the Order Paper. Tobias Ellwood!

4.34 pm

**The Parliamentary Under-Secretary of State for Defence (Mr Tobias Ellwood):** That was an introduction and a half. Thank you very much, Madam Deputy Speaker: it is a real pleasure to take part in this important debate.

Looking at the motion, I see much on which we are in agreement, and looking around the Chamber, I see many of the usual characters who wholly support not only the armed forces and the armed forces industry, but our defence posture. Defence investment is important, and my view—I do not know whether it is related to what may happen later in the day—is that we need to spread that message more widely to our other parliamentary colleagues.

Let me approach the issue from two perspectives. First, why must we invest in our maritime capability? Why, from a British perspective, is it important for us to do that? Secondly, in aiming to meet whatever is our ambition and create whatever architecture we wish to create, how can we most wisely spend the taxpayer's money on defence? It is interesting that the hon. Member for Llanelli (Nia Griffith) focused on that as well. What is a wise use of taxpayers' money—or should we automatically give it to shipbuilders in the United Kingdom with no questions asked? That, I think, is at the core of the debate: the issue of where the line should be drawn.

Let me step back from the details for a second, and reflect on the importance of the security and prosperity of our island nation in the context of the seas. For centuries our world-renowned Royal Navy has protected our shores and our people, and has safeguarded our interests. As we mark the end of the first world war, we remember that in that war—and, indeed, in the second world war as well—it was the aircraft carriers, the frigates, the destroyers, and the other warships built by men and women across the country that kept our fortunes afloat.

Today, as the hon. Lady said, our Royal Navy is busier than ever, defending our trade routes, leading the fight against global terror, protecting shipping lanes from piracy, tackling illegal migration in the Mediterranean, and, obviously, playing a leading role in NATO's maritime capability. Its activities have ranged from war-fighting

to nation-building to peacekeeping, and from interdiction to littoral work—and humanitarian work, as we saw in the Caribbean last summer. In a post-Brexit world, however, there is an ever greater need for us to project our influence and lead by example in retaining the most sophisticated and potent Navy in Europe, to help shape the world around us and to keep ourselves and others safe.

I make no apology for raising the wider issue of defence spending—which has already been raised by the Chairman of the Defence Committee, my right hon. Friend the Member for New Forest East (Dr Lewis)—at the very time when the same issue is being discussed more widely at the NATO summit. The Defence Secretary has succeeded in elevating the need for increased defence investment as threats diversify and become ever more complex. As I said in Defence questions on Monday,

“We are entering a phenomenon of constant confrontation by state and non-state actors.”—[*Official Report*, 9 July 2018; Vol. 644, c. 691.]

We are not in a phase of war, and we are not in a phase of peace.

Let us remind ourselves of the very first line of the national security strategy and strategic defence and security review:

“Our national security depends on our economic security, and vice versa.”

It is important for us to persuade all members of all parties that we must invest, because if we fail to do so, our capabilities will diminish at the very time threats are increasing. We need to convey that message to the Treasury. Let me repeat that as the world becomes more dangerous, our post-Brexit economy is ever more reliant on security for access to our international markets. Some 95% of our trade still goes by sea, and we need to protect our interests there.

**Grahame Morris (Easington) (Lab):** Will the Minister give way?

**Mr Ellwood:** If the hon. Gentleman will let me finish this peroration, I will of course give way, just to re-energise myself. If we allow that trade to be affected by the changes made in the world around us by nations that choose to breach the rules we helped set up after the second world war, there will not be any money for any Government Departments, let alone the MOD. I hope we can join together to persuade more of our colleagues about that, and not just the stalwarts and defence fans, so to speak, who are here today.

**Grahame Morris:** I apologise for interrupting the Minister's flow. I do not think any Member on either side of the House would disagree about the importance of the Royal Navy and the incredible job it does, but our point on this side of the House—I suspect shared by some on the Government Benches—is that shipbuilding is a vital strategic industry. There are many benefits apart from producing the very best ships in the world, such as maintaining employment and a skills base that could itself generate more economic activity. I hope the Minister will take that into account, and not least the importance of the supply chain.

**Mr Ellwood:** There is nothing in that that I would disagree with; the hon. Gentleman is absolutely right. I will come on to what we are doing to promote Royal

[Mr Ellwood]

Navy ships; we will come on to the core fact of what is a Royal Navy ship and what is a fleet auxiliary ship, which again goes to the heart of the difference in how these different types of ship are procured.

**Jamie Stone** (Caithness, Sutherland and Easter Ross) (LD): Notwithstanding what has just been said, surely the Minister will accept that whenever we buy a Royal Navy warship, an auxiliary ship, an aircraft or whatever abroad, we never own all the intellectual property associated with that product. We are buying F-35s, which are splendid aircraft, but we will never know the fine details of the box of tricks that makes them work, and that is a disadvantage to our country.

**Mr Ellwood:** I will move on to our maritime capability and our procurement process, but first please allow me to finish the bigger case of why it is important that we invest here.

I am making the point that although we must persuade Members of Parliament, we also need to persuade the nation. This is the same nation that enjoyed the fly-past yesterday and that expects us to step forward as a global influencer, but I am afraid is perhaps worryingly naive about the need to invest, because that is not a doorstep issue; it does not come up very much on the election circuit compared with health, education or transport. I think all Members would accept that point.

Our defence posture matters; it is part of our national identity. It allows us to sit with authority at the international top table and help shape global events. Other nations and allies look to us; they look to Britain to step forward, and to lead in the air, on land, on the sea and now on the cyber-plane as well. That ambition could be lost in a generation if we do not continue to invest; that capability, and desire to step forward, could be lost.

When we look at the current challenges facing Europe, the middle east and parts of Africa, we see that we are the best in Europe in terms of security, military capability, and intelligence and policing. We have an opportunity to leverage that position of strength as we craft a new post-Brexit relationship with our European allies and take a leading role in NATO, but we can only realistically do that with a sensible increase in our defence spending, which includes investment in ships.

**Gavin Robinson** (Belfast East) (DUP): The Minister is right to say we need to build support not only across this Chamber among Members who are not present, but from across the nation, about the imperative benefits associated with investment in defence. I hope the Minister agrees that one of the ways to do that is by injecting a sense of national pride in our defence industry: by increasing the connectivity between our yards and our people, and between our people and their representatives. In Harland and Wolff in east Belfast that is exactly what we expect. It wants to be part of this investment and of this country's defence infrastructure, and it looks forward to playing its part and building its support locally.

**Mr Ellwood:** During my time as a Member of Parliament I have seen a change in the posture of the Royal Navy that we can all be proud of. What is the Type 45? It is the best in its class. What is the Type 26? It will be the best

in its class. What is the Type 31? It is a change in approach to modular design, which will be exactly what we need for export. This is what Britain is doing. We invented the aircraft carrier; we were the ones who first put that concept together. That innovation that is inherent in our DNA is what is allowing us to do exactly what the hon. Gentleman says.

**Chris Stephens:** I thank the Minister for promoting modular build in the UK. If modular build is good enough for the Type 31 frigate, surely it is good enough for fleet support ships, which could be built in the UK on the same basis.

**Mr Ellwood:** I have hinted that I will come to that in a second, but there is a distinction between fleet support ships that employ civilians and Royal Navy ships that employ Royal Navy personnel. There is a distinction between the two from a security perspective.

Going back to the point about value for money for the taxpayer, the Defence Secretary, the Procurement Minister and I all want to ensure that we are able to utilise the advanced skill sets in our defence industry across the UK, but the bottom line has to be value for money. Let us take as an example the ships that were recently purchased in Korea. The price was half the British value. Is the hon. Member for Llanelli saying that she would pay double the price for the same auxiliary support ships?

**Nia Griffith:** The Minister needs to take into consideration the fact that something like 36% of that spend would immediately come back to the Treasury in taxation. There would also be a knock-on effect for all the small businesses that would benefit from that money being spent out into the local economy. We would also have to take into account the cost of social security if those people were unemployed, as well as the disastrous cost of losing our shipbuilding industry altogether. Does he recognise that if we do not invest now to create a drum beat of orders, we could see the shipbuilding industry going the same way that the Tories let the coalmining industry go?

**Mr Ellwood:** Now we really are seeing the difference between us, if the hon. Lady is comparing this situation with the coalmining industry. Is that where this debate is going? I certainly hope not.

**Several hon. Members** *rose*—

**Mr Ellwood:** I am suddenly very popular, but may I just finish answering that point? Then perhaps we can go round houses.

This is a serious point. The hon. Lady did not answer the question on whether she would endorse purchasing a British-built ship that cost twice the amount as one built elsewhere. I hear what she says about the knock-on impacts for small and medium-sized businesses and so on, but a third of the money being spent comes back to Britain anyway. That is part of the contract that has been secured by the Procurement Minister. So in fact, we are already doing as she says, but taxpayers are paying half the price that they would have been paying had we purchased something from Britain. That is the situation that we face, and without wishing to sound too political, that is the difference between us on the Government Benches, who want to be fiscally responsible with taxpayers' money, and those who simply want to



pay for anything. I absolutely want it to be British, but we have to have value for money. Also, it is wrong to suggest that there is no shipbuilding capacity coming through. I have just mentioned the aircraft carrier, the Type 26 and the Type 45, in which there is continuing interest, and we also have the Type 31 and the offshore patrol vessels that are coming through. So there is plenty out there to keep our capability alive and busy.

**Several hon. Members** *rose*—

**Mr Ellwood:** There is so much choice that I do not know where to start. Let us go with the right hon. Member for Warley (John Spellar).

**John Spellar:** Will the Minister confirm that the Korean shipbuilder that took this contract, DSME, underbid and actually lost significant sums of money on the contract? It was not a fair contract, and because of its general business practices, it came very close to going bankrupt and had to be bailed out.

**Mr Ellwood:** I am glad that the right hon. Gentleman put it like that, because I was worried that he was going to say that state aid had been involved. I am sure that he would not suggest that that was the case, because I know him better than that, even though that was hinted at by those on his Front Bench. That was the commercial decision that the company took, but we are left in a situation where Britain is getting value for the taxpayer's money.

**Mr Kevan Jones:** The Minister is talking complete and utter nonsense. On the military afloat reach and sustainability contract, there was no UK bid, and the reason for that was that the industry was told that the contract was going abroad. As my right hon. Friend the Member for Warley has just said, the Korean bid was underbid and basically bankrolled by the South Korean Government.

**Mr Ellwood:** The right hon. Gentleman sits down and folds his arms, but there was a UK bid.

**Hon. Members:** There was not.

**Mr Ellwood:** There was a UK bid.

**Mr Dunne:** May I help my right hon. Friend?

**Mr Ellwood:** I would like to move on, so I am going to make some progress and perhaps invite the Minister responsible for procurement, who will be concluding the debate, to go into the detail of the bid. If Labour is taking a position of only taking British offers and not looking abroad, it is not taking taxpayer value for money into consideration.

**Leo Docherty** (Aldershot) (Con): Does the Minister agree that the picture painted by Labour Members is rather inaccurate? Due to the remarkable scale of investment, not least in our new Type 26 fleet, the picture is one of extraordinary investment activity, so to portray the industry as being on its knees is, frankly, a gross mischaracterisation.

**Mr Ellwood:** I am grateful to my hon. Friend, but I want to move on to the second question that I posed, which is how we can best meet the ambition of optimising our industry's capabilities while spending taxpayers' money wisely.

The UK is a world leader in the defence sector. In 2016, the UK defence sector had a turnover of £23 billion, £5.9 billion of which was export orders. The MOD is the sector's most important customer, spending £18.7 billion with the UK industry and directly supporting 123,000 jobs in every part of the UK. Indeed, my hon. Friend the Member for Ludlow (Mr Dunne), in his report that was published on Monday, shines further light on the important contribution that defence makes UK prosperity, and I pay credit to him for his work. The report shows that there is more that we can do, which should be welcomed by both sides of the House.

**Leo Docherty** *rose*—

**Mr Ellwood:** My hon. Friend is very keen.

**Leo Docherty:** I am grateful for that compliment. The Minister is describing an interesting picture. Does he agree that aviation and aerospace are an important part of that picture? Does he also agree that activities in and around Farnborough, including the international airshow, are vital? Will he confirm that he will be attending the airshow next week? If he is not, I will happily arrange that for him.

**Mr Ellwood:** We have wandered away from ships a little, but my hon. Friend is right. I pay tribute to the RAF for its event yesterday, and for what it has done and continues to do. The Royal International Air Tattoo starts at RAF Fairford on Friday, and we have the Farnborough airshow next week, where we will be launching our air strategy, based on the same principles as for shipping, which will be exciting.

Returning to ships and the role of the maritime sector, we should remind ourselves of the significant changes to the Royal Navy fleet. We have two incredible aircraft carriers coming into service, a new generation of Dreadnought-class submarines, the Type 45 destroyers—the most advanced in the world—and the new Type 26 global combat ships. We also have the Type 31e frigates—e for export—which have deliberately been designed with a modular concept. Depending on the export need, which could be interdiction, surface support or humanitarian purposes, its parts can be interchanged simply to adapt to the local requirement. This is an exciting time, and all the ships will be built in the United Kingdom.<sup>1</sup>

To achieve our ambitions, we need a strong shipbuilding industry as part of the wider maritime sector. As the Opposition spokeswoman said, more than 100,000 people work in this country's maritime and marine sectors, including in the shipyards that supply parts and support equipment to keep the great industry alive.

**Mr Sweeney:** Will the Minister give way?

**Mr Ellwood:** I will, but I need to make progress, as other people want to speak and there may be something else that we all want to go to later.

**Mr Sweeney:** The Minister refers to shipyards. He might be aware that a deal was done in 2013 so that, in return for closing down operations in Portsmouth, capital investment would be made on the Clyde to make it a world-class centre of shipbuilding expertise, but that deal was never followed through with. He talks about creating a world-class industry, so why has he

1. [Official Report, 24 July 2018, Vol. 645, c. 7MC.]

[Mr Sweeney]

failed to follow through on the investment proposals that would make the Clyde world class and restore that capability?

**Mr Ellwood:** We are investing both in the Clyde and in Portsmouth. Looking back over the past few decades, let us be honest that although we have world-class shipbuilding capability, efficiency has not been what it could be. Successive Governments could have done better—we put up our hands up to that—which was why it was all the more important to create a shipbuilding strategy. We commissioned John Parker’s report so that we would be able to understand—

**Chris Stephens:** Will the Minister give way?

**Mr Ellwood:** I will make some progress, if the hon. Gentleman does not mind, because other Members wish to speak. Let me make some progress and I will give way shortly.

**Nia Griffith:** Does the Minister recognise that the Parker report very clearly mentions having a “drumbeat” of orders? That is vital to the industry so that we do not lose skills, so that we do not fall behind on R&D and so that we can remain in the game. Does he agree that that is important and that these ships could contribute to that drumbeat of orders?

**Mr Ellwood:** I do not disagree. I try to be less partisan than others who jump up at the Dispatch Box, and I absolutely agree with the hon. Lady about the importance of that drumbeat of orders, but it should not come at any price. We need to make sure it blends with what is built for the Royal Navy and for the Royal Fleet Auxiliary. We have accepted every single recommendation made by John Parker, and we thank him for his very wise report.

**Chris Stephens:** Will the Minister give way?

**Mr Ellwood:** The hon. Gentleman is sitting on the edge of his seat. Obviously I cannot refuse to give way.

**Chris Stephens:** The Minister is very generous. What did John Parker’s report recommend for how the fleet support ships should be built? I am very curious. Can he tell us what the Parker report says about fleet support ships and the exact page on which it says that?

**Mr Ellwood:** The Parker report is about our approach to shipbuilding, and it has led to our shipbuilding strategy and our defence industrial strategy.

**Mr Dunne** *rose*—

**Mr Ellwood:** If I can make some progress, I may actually be able to answer the question.

**Mr Dunne:** Will the Minister give way?

**Mr Ellwood:** I am glad that there is nothing happening later.

**Mr Dunne:** My right hon. Friend has been generous about my report, which was published on Monday, and I am grateful for the other comments about the report

by Members on both sides of the House. On page 53 of the report, I refer to the fleet solid support ship and make the point that the fact that we are currently a member of the European Union means that we are precluded from taking advantage of the article 346 exemption to require that ship to be built in the UK. One of my recommendations is that we should take advantage of the opportunity of Brexit to consider the opportunity, after we leave the EU on 29 March 2019, to build UK content into our own procurement rules, which might allow us to change the position, but we cannot do that today.

**John Spellar:** Not true.

**Mr Ellwood:** I suggest that the right hon. Gentleman reads the report by my hon. Friend the Member for Ludlow to understand the full picture. My hon. Friend is correct that EU regulations provide guidance on building those ships. The regulations do not apply to royal naval ships because, from a security perspective, every sovereign nation is allowed to bypass them, but the rules absolutely apply to non-royal naval ships—as in Royal Fleet Auxiliary ships—that employ civilians on board. I encourage hon. Members to read the report before judging what my hon. Friend has just said.

Moving back to what I was saying, we must have an honest debate about what is happening, which is why we need to develop a modern, efficient, productive and competitive marine sector that allows us to build on the work that has been done on the Clyde, in the north, in Belfast, in Barrow, in the north-east, in the north-west and in the south-west of England. We have incredible capability, and I am pleased to see so many hon. Members representing constituencies in those areas in the Chamber today.

Our new shipbuilding strategy sets out exactly how we can achieve such a marine sector. We will continue to build Royal Navy ships only in the UK while encouraging international collaboration in harnessing open competition for other naval ships. Our new framework will ensure that the impact of UK prosperity will be considered as part of our procurement decisions. The 2015 strategic defence and security review created a new security objective: promoting our prosperity. Competition and strategic choice remain at the heart of our approach, but we recognise that there are several different models for working successfully with the industry, and we need to take further steps to bolster that and make the right decisions to enable a strong partnership between the Government and industry.<sup>1</sup>

That is part of the whole Government approach, spearheaded by the national industrial strategy, with its mutually reinforcing focus on driving productivity and supporting innovation, which provides a strong and clear policy framework in which industry can invest and grow. Key to that is how defence procurement might build economic value by strengthening UK productivity and industrial capability, including at a local level, and boosting exports sustainably. We recognise that responsible exports are now widely accepted as having a part to play in our wider national defence and prosperity objective. They are considered to be an opportunity, not a burden.

Sir John Parker’s 2016 independent review made a series of recommendations about improvements we can

1. [Official Report, 23 July 2018, Vol. 645, c. 7MC.]

make, and, as I said, I am pleased that we will be accepting all of them. He did place emphasis on the dysfunctional relationships between government and industry. Old ships were retained in service well beyond their service date, with all the attendant high costs, and it is important that that changes. So our new strategy is founded on three pillars. The first is better planning, giving industry greater certainty and predictability. We are providing a 30-year Royal Navy shipbuilding masterplan to guide all future naval shipbuilding decisions, and to document the number and types of ships in which we will invest over the next three decades.

The second pillar is a new approach to design and construction. We want to challenge naval standards and introduce new ones, forcing through advances in design, in new materials such as composites, and in manufacturing methods. Our new carriers are a prime example of that. They are built in blocks, with parts built in different parts of Britain, drawing on the expertise of 10,000 people, and being brought together from centres of excellence from across the country. Thirdly, we want to focus on building exports, where there is an opportunity, as the Type 31 will be the first frigate for export since the 1970s. We know that more sales can cut costs in procurement over time and give us the potential to buy even more cutting-edge ships.<sup>1</sup>

For now, for reasons of national security, the shipbuilding strategy sets out that warships will be built and integrated in the UK via competition between UK shipyards. However, for the purposes of shipbuilding only, the national shipbuilding strategy defines warships as destroyers, frigates and aircraft carriers. All other naval ships, including the Royal Fleet Auxiliary ships, as well as other Royal Navy manned ships, such as patrol, mine countermeasures, hydrographic and amphibious ships, will be subject to open competition—that means international competition. That remains where the difference lies between us and the Opposition, but it is the cornerstone of our defence procurement policy. I remind the hon. Member for Llanelli that she talked repeatedly about value for the taxpayer, and it is important we understand that. I hope that there is a compromise whereby where we want to and can, we will utilise British shipbuilding capability, but when it comes in at twice the cost of an overseas opportunity, we will have to be very careful about which decision we make.

**Sir Roger Gale** (North Thanet) (Con): I may have misunderstood—

**Mr Deputy Speaker (Sir Lindsay Hoyle)**: Order. The Minister will have to sit down.

**Mr Ellwood**: I was just grabbing some water.

**Mr Deputy Speaker**: Order. I don't care what the Minister thinks he is doing; I am just telling him what he has to do.

**Sir Roger Gale**: Thank you, Mr Deputy Speaker.

I may have misunderstood the Minister, and I know it is not the custom to ask a question to which one does not know the answer, but I think he said that royal naval ships were confined to aircraft carriers, frigates and destroyers. Would that not also apply to any replacement amphibious craft that we might need?<sup>2</sup>

**Mr Ellwood**: My hon. Friend is absolutely right—that would be considered royal naval class, so not manned by the Royal Fleet Auxiliary.

It is important that, as we move forward, we look closely at value for taxpayers' money.

**Mary Glendon** (North Tyneside) (Lab): The GMB commissioned a Survation survey that found that 74% of people want these ships to be built in this country. Do not public opinion and the pride that people would feel if the ships were built here matter as much as value for money?

**Mr Ellwood**: I can only say that I hope that 100% of people would like ships to be built in the UK, but I also think that 100% of fiscally responsible people would like value for taxpayers' money. That is the difference that this debate will illustrate.

Since the strategy was launched in 2017, the Government have worked closely with our partners in industry and made significant progress on our commitments under the shipbuilding strategy, not least through our continued investment in five River class offshore patrol vessels that are being built on the Clyde. Those ships have safeguarded industrial capability through a contract worth around £635 million, which is exactly what the shadow Secretary of State wants to see. We must make sure that there is this drumbeat of work, not only so that none of the shipyards face closure, but because it is essential so that we can continue to act when we require ships to be built for the Royal Navy. The first batch of the cutting-edge Type 26 frigates that are being built under the £3.7 billion contract with BAE Systems are also being built on the Clyde.

**Mr Sweeney**: The Minister mentions the River class batch 2, which was primarily designed to maintain production at Govan shipyard until the Type 26 was of sufficient maturity to begin construction. Does he accept that the only reason why Govan shipyard is open today is because a Royal Fleet Auxiliary order for the Wave Ruler was placed there in 1999 to keep the yard open until the Type 45 build could start? The only reason why that yard exists today is because the Government placed that Royal Fleet Auxiliary order with Govan, and that is exactly what we are arguing for today: to maintain these builds in the UK to maintain industrial capability.

**Mr Ellwood**: The hon. Gentleman sort of makes my point. We need to make sure that we bear in mind not only prosperity and British capability, but value for money for the taxpayer.

The Type 26 will offer a leading anti-submarine warfare capability for its planned 25-year service life, providing critical protection to the continuous at-sea deterrent and maritime task groups. We are currently in dialogue with industry on the strategy's flagship Type 31 frigate programme, which is worth £1.25 billion for five modern warships. They will be flexible and adaptable in design, as I said earlier, and part of a balanced Royal Navy fleet that will be deployed across operations in support of the UK's maritime task group.

The shadow Secretary of State mentioned the launch of our fleet solid support ships programme, which is procuring vessels for the Royal Fleet Auxiliary through

1. [Official Report, 24 July 2018, Vol. 645, c. 8MC.]

2. [Official Report, 24 July 2018, Vol. 645, c. 8MC.]



[Mr Ellwood]

international competition. They will provide munitions, stores and provisions to support maritime and amphibious-based task groups at sea.

On exports, we are delighted that Australia is considering the Type 26 global combat ship and BAE as the preferred tenderer for its future frigate programme. The consequence of our creating something that other countries want is that further countries have been prompted to look carefully at the Type 26. That is exactly what is happening in our discussions with Canada. This is exactly where we want to go: we want to make sure that we have the capability to build something that we can export, not just something to keep shipyards open. That is critical. The UK's long-term commitment to the Type 26, which is currently being constructed for the Royal Navy in Glasgow, was an important consideration for Australia in its decision-making process. The fact that we continue to invest in it showed our continued confidence in the Type 26, which we believe is the world's most advanced, capable and globally deployable anti-submarine warfare frigate.

In conclusion—[*Interruption.*] I could go on, if Members would like. I hope that the House will join me in recognising the important role that the defence industry plays in helping us to meet our ambitions and commitments, ensuring that we continue to deliver cutting-edge, battle-winning capability for our armed forces for years to come.

**Dr Julian Lewis:** As an immovable Defence Committee commitment means that I have to leave this debate for a period, though I hope to catch Mr Deputy Speaker's eye later on, I would not like the Minister to sit down without knowing how much we on both sides of this House appreciate that he has been prepared to speak out as strongly as he has in favour of an increase in the defence budget. I hope that he will continue to press the Opposition to operate on a bipartisan basis in this way, because if we want to invest to keep shipyards open that might otherwise close, surely the logic is that the defence budget must increase.

**Mr Ellwood:** My right hon. Friend is very kind in his words. May I reciprocate by saying that he has done much work to keep this debate alive? The Defence Secretary is absolutely passionate about this. As I said earlier, we need to share this further, beyond defence colleagues and beyond those who naturally find this important and understand it or indeed who have constituencies that are connected with the armed forces. This is something on which we need to engage with the nation. We need to recognise that it is part of our DNA to be strong, to be firm and to be leaders in Europe and on the international stage itself. I hope that that message is being shared in NATO at the summit now.

**Leo Docherty rose—**

**Mr Ellwood:** I am desperate to finish, but I will give way to my hon. Friend.

**Leo Docherty:** I am grateful to my right hon. Friend for giving way. Given that, at the NATO summit, President Trump has called on all NATO members to invest 4% of GDP on defence, does my right hon. Friend agree that 3% from the United Kingdom is the very least that we should be investing in our national security?

**Mr Ellwood:** Before wandering too far down that road, let me say that this is just too important for us to play a guessing game and try to thump out numbers of GDP advancement. Other Departments will just turn around and say, "Well, I want a bit more of that for my Department as well." We must make the case; we must spell out exactly what the money would be spent on, what savings would be made and what efficiencies we can provide inside defence itself. Therefore, whether the figure is 4%, 3% or 2.5%, the purpose of the defence modernisation programme is to give us the detail on what we need to do for our air, land and sea; what we need to do to upgrade in all phases of war; what we need to do in the new areas of complex weapons, cyber-security and protection of space for fear of hollowing out our conventional capability.

In conclusion, this Government have a responsibility to obtain the right capabilities for our armed forces. However, as a customer, we must ensure that this represents value for money for the taxpayer. Competition is at the heart of our approach. Our shipbuilding strategy is a pathfinder and exemplifies many aspects of our approach, set out in the Government's policy framework, which includes an ambition to transform the procurement of naval ships; the importance of making the UK's maritime industry more competitive; investment in the Royal Navy fleet; a commitment to exports; and a plan to boost innovation, skills, jobs and productivity across the UK.

We are rightly proud of all those who serve our country. We have a duty to look after them and protect them. That includes procuring the best possible equipment, which allows us to remain a tier 1 nation, leverage our industrial capacity and produce cutting-edge equipment for us and for us to export.

**Wayne David (Caerphilly) (Lab):** On a point of order, Mr Deputy Speaker. Earlier, the Minister was adamant that there had been a British bid for the MARS tanker contract. That was not the case, and I wonder whether he would like to correct the record.

**Mr Deputy Speaker (Sir Lindsay Hoyle):** Do you wish to speak, Minister?

**Mr Ellwood:** Because of the mechanics of the Defence Committee, I, rather than the Under-Secretary of State for Defence, my hon. Friend the Member for Aberconwy (Guto Bebb), stepped forward to open this debate. However, defence procurement is his brief, and it would make more sense for him to give a comprehensive reply on this very subject as he is concluding this debate.

**Mr Deputy Speaker:** The matter is now on the record for it to be picked up—[*Interruption.*] Hot potatoes!

I now have to announce the result of today's deferred Division, which was subject to a double majority vote under Standing Order No. 83Q, in respect of the Question relating to the draft Renewables Obligation (Amendment) Order. The Ayes were 299 and the Noes were 211. In respect of the same Question among those Members from qualifying constituencies in England and Wales, the Ayes were 282 and the Noes were 201, so the Ayes have it.

[*The Division list is published at the end of today's debates.*]

5.15 pm

**Stewart Malcolm McDonald** (Glasgow South) (SNP): After the Minister's interesting and generous 40-minute speech, I will cut my remarks short. [HON. MEMBERS: "No!"] Oh, don't tempt me. I will perhaps not be as generous as the Minister, to allow colleagues, particularly those with constituency interests, to speak. [Interruption.] With the upcoming England game, I am happy to detain hon. Members, if that is really what they want me to do. In the spirit with which the shadow Secretary of State opened the debate, the phrase "It's coming home" does not at all stick in my throat. In this debate, I think that we should stick to the phrase, "It ought to be coming home."

This debate takes place on the day and against the backdrop of the Prime Minister being at the NATO summit in Europe. History has a strange habit of repeating itself; when the last female Prime Minister was at an important summit in Europe, her Back Benchers were concocting a plan to remove her as party leader and as Prime Minister. I can only assume that the current Prime Minister is hoping that history is a bit kinder to her as the summit progresses today. But, of course, it is shaping up to repeat itself, because this has all the hallmarks of Westminster again selling out shipbuilding across the United Kingdom.

The Government seem intent to ignore much of what the shadow Secretary of State has outlined and, I am sure, much that will be adumbrated by other colleagues as the afternoon progresses. The Government are ignoring the real value to the taxpayer, ignoring the craft and the skill of shipbuilders across the UK, and ignoring what is in our own economic, political and national security interests. Given that the Department has a black hole of up to £20 billion, I would have thought that this was something of which the Government wanted to take real cognisance.

I do not level the following accusation at either Minister on the Treasury Bench right now, but when the Government have manoeuvred for self-interest all week long—and it is only Wednesday—now would be a good time to switch around, do the right thing and confirm that the fleet support ships will be built here in the UK. The financial benefits have already been outlined by colleagues outwith this place. The GMB union estimates that it can create and secure up to 6,500 jobs, including almost 2,000 in shipbuilding directly, that it can generate almost the best part of £300 million a year for the UK Exchequer and, as has been mentioned by the shadow Secretary of State, that it can provide a return of 36p for every pound that is spent.

I grew up in the town of Govan, which is represented by my hon. Friend the Member for Glasgow South West (Chris Stephens). I know what it is like to grow up in a town that relies on shipbuilding and to see it go almost to its knees, as it did in the early 1990s. I am sure that Glasgow MPs and colleagues from other shipbuilding constituencies will be damned if this Government are going to do that again.

**Stephen Kerr** (Stirling) (Con): Is not it fantastic that there is enough work to keep the Govan shipyards full until the mid-2030s?

**Stewart Malcolm McDonald**: Oh, I am going to come to that. The hon. Gentleman leapt up, but sometimes hon. Members' interventions are best made from their seats; that might have been one of them.

On whether this is a civilian ship or a warship, my party is in agreement with the shadow Secretary of State. We think that the Government have the wrong definition and we do not believe that they are actually fulfilling their responsibilities as far as the Parker report is concerned. These ships are armed and, as has been mentioned, take part in counter-piracy and counter-narcotics missions.

I want to read a quote from the Under-Secretary of State, the hon. Member for Aberconwy (Guto Bebb), who is responsible for procurement. He said in a written answer on 27 April this year:

"The programme to deliver the Royal Fleet Auxiliary (RFA) Fleet Solid Support ships is in the Assessment Phase. We expect that the ships will be provided with a limited range of weapons and sensors for self-protection, most likely to include small arms, and close range guns such as Phalanx. The exact equipment provision has not yet been finalised but will remain consistent with the defensive measures provided to RFA vessels."

On that definition, the Minister who has just spoken is getting it wrong.

**Mr Ellwood**: May I invite the hon. Gentleman to visit a Royal Fleet Auxiliary ship to see the self-defence assets that are on board? That is allowed by law, given that civilians are working there. They are allowed to have a certain accommodation of capability, as he has just rolled out. That does not make such a vessel a royal naval warship or one that is doing any kinetic operations.

**Stewart Malcolm McDonald**: The Minister is free to invite me. Indeed, I look forward to getting a suggested date and time.

I am not the only one who is picking a fight with the Government over this; I am joined by all the Opposition parties in the Chamber today, the shipbuilders who will be producing these ships when the order finally comes through and the trade union movement that supports them.

**Mr Ellwood** *rose*—

**Chris Stephens** *rose*—

**Stewart Malcolm McDonald**: The Minister has spoken quite a bit. I do not like not giving way to a Minister, but I would rather give way to a Back Bencher.

**Chris Stephens**: I thank my hon. Friend. Is he aware of recent press releases from the Ministry of Defence in relation to the MARS contract that the Minister talked about earlier? One says:

"The tanker is expected in Falmouth next spring when she will start military customisation."

**Stewart Malcolm McDonald**: My hon. Friend makes an important point that I am sure he will expand on later. [Interruption.] The Minister is most unkind. I sat and listened to him for 40 minutes and here I am being heckled as though he had taken five minutes. In fact, I am trying to remove parts of my speech to allow other colleagues to get in.

I want to come to some of the broken promises that the Conservatives have made with regard to shipbuilding in Scotland. Let us cast our minds back four years, when they were desperate—desperate—to buy off Scottish

[Stewart Malcolm McDonald]

shipbuilding in the face of a potential vote for Scottish independence. They promised 14 Type 26 frigates to be built on the Clyde: a state-of-the-art, world-class frigate factory, which, amazingly, the previous Defence Secretary used to stand at the Dispatch Box and insist was there. My hon. Friend the Member for Glasgow South West was getting phone calls from journalists in Glasgow asking if they could go to see it. Indeed, I believe that a Labour Member—the hon. Member for Glasgow North East (Mr Sweeney)—actually took part in the design of the frigate factory. We were utterly sold out again by the Conservatives.

The current Chancellor, who at that time was the Defence Secretary, repeatedly told people in Scotland that staying in the UK was necessary to secure the future of shipbuilding in Scotland, but that promise was slashed. The guarantee of 14 Type 26 frigates was cut to eight, but we were promised five Type 31e's to make up for the shortfall in numbers. Shipbuilders in Scotland—and indeed, I suspect, across the UK after this debate finishes—will not be trusting the Tories any time soon.

Finally, I want to read out a quote from the assistant general secretary—

**Simon Hoare** (North Dorset) (Con): Will the hon. Gentleman give way?

**Stewart Malcolm McDonald:** No, because I have said I am going to allow other colleagues to get in.

The assistant general secretary of Unite, Mr Steve Turner, has said, and he is spot on:

“It would be a travesty if UK government ministers handed the economic windfall that building the new Fleet Solid Support ships brings to another country. The skills, knowledge and capability to design and build complex warships would be hollowed out and the clock turned back to the 1990s when the UK's shipbuilding was on its knees. By 2020 25 per cent of spending on the UK's defence equipment will be benefiting factories overseas rather than here in the UK. This is taxpayer money that can and should be spent here in the UK to the benefit of our economy. The government needs to back UK defence workers and our manufacturing industries by guaranteeing Royal Navy ships”.

If 25% of defence equipment spending being spent elsewhere around the world is this Government's idea of a global Britain, then, frankly, count me out.

**Several hon. Members** *rose*—

**Mr Deputy Speaker (Sir Lindsay Hoyle):** Order. I will have to introduce a seven-minute limit on speeches. I call Kevin Foster.

5.24 pm

**Kevin Foster** (Torbay) (Con): Thank you, Mr Deputy Speaker—it makes quite a change to be called early in a debate. It is a pleasure to follow the hon. Member for Glasgow South (Stewart Malcolm McDonald).

Some people will be wondering, “Why is the MP for Torbay rushing to speak in a shipbuilding debate? Surely the south-west is just about tourists, fishing, farmers and a few other bits.” Well, I know that the hon. Member for Plymouth, Sutton and Devonport (Luke Pollard) will be talking about the huge importance of the Devonport naval base. If we look at the figures from the House of Commons Library on employees in

shipbuilding in 2016, we see that there are 12,000 in the south-west—even more than in Scotland or the north-west, which we might traditionally associate this industry with.

It is wonderful to note the new-found enthusiasm of the leader of the Labour party for the defence industry in the UK. I will leave those comments there, because I would rather we had a more positive debate, but it is certainly a contrast with some of the views he has expressed over the last three decades.

**Simon Hoare:** Will my hon. Friend give way?

**Kevin Foster:** I will not, because I am conscious that there is quite a queue of Members wishing to speak. While this is an Opposition day debate, there are many Members with significant constituency interests who would like to speak.

In terms of the investment, it is welcome to see the new carriers coming into the fleet and the new Dreadnought-class submarines already under construction, which will hopefully be refitted in Devonport in the years to come, when they have entered the main service of the fleet. It is good to hear about other investment projects. We are seeing our Royal Navy become more competent and capable, with even more of a global reach. It is welcome to see that we are back in the South China seas, looking seriously at the British national interest out in the Pacific region.

While I have some sympathy with one or two parts of the motion, which I will come to, we have to think coherently about what we are saying. If we keep saying that these contracts—contracts that are not internationally recognised as something that should be national only—should be UK-only, we start to go down the path of the nonsense arguments that have been used in the steel industry in the United States. Donald Trump has used a nonsense argument about national security to put tariffs on Canadian and European steel. Let us be quite candid: Canada and the UK are some of the strongest allies of the United States. We share the most sensitive intelligence with one another, so it is an absolute nonsense to suggest that there is a national security angle to who sells steel from this country to the United States. That is where I part company with some of the Labour party's arguments.

The part of the motion on procurement criteria is perfectly reasonable, and I will come to that, but if we keep saying that certain contracts must be UK-only, we begin a trend of protectionism. We cannot on the one hand rightly say that Donald Trump is talking absolute nonsense about steel, but on the other adopt a policy like that ourselves, potentially against foreign—

**Mr Kevan Jones:** Will the hon. Gentleman give way?

**Kevin Foster:** I will, but very briefly.

**Mr Jones:** Could the hon. Gentleman give me an example of a single country in the world, including the United States, that would have procured these naval ships from overseas yards?

**Kevin Foster:** I thank the right hon. Gentleman for his intervention. Sadly for him, if he had waited until I got to a later part of my speech, he would have heard me talk about the Republic of Ireland, which is building naval ships at the Appledore shipyard in North Devon.



He asked me to name one country in the world, and he has got one: the Republic of Ireland. I do not think I will take another intervention if knowledge is so limited that even our closest neighbour is not known about.

**Mr Ellwood:** I just want to make a technical point. One reason why we are in this situation is that the Royal Fleet Auxiliary, as I mentioned, is made up of civilians. Most nations that have advanced naval capability have support vessels that are part of their naval fleet; it is for sovereign capability that those ships are built in that way. They do not have even the freedom to offer that elsewhere.

**Kevin Foster:** I thank the Minister for his intervention.

The part of the motion I have sympathy with is about ensuring that when we engage in procurement exercises the criteria take into account the wider benefits of using particular contractors. One of the things I am slightly concerned about is the idea that buying from the UK is something we are only going to do if we have a protectionist policy in place. As is shown by the example I have just been able to give of Babcock building ships for the Irish navy, our industry is perfectly capable of winning contracts in the international market. That is because of the quality of the teams, the quality of the product and the cutting-edge nature of some of our technology. The recent Australian navy contract won by BAE, which has already been mentioned, will see the export of our knowledge and expertise—many small and medium-sized enterprises in the UK will get jobs and contracts out of that decision—and it is a sign of the quality we can offer.

It is almost doing down our industry if we stand up in the House and say to its potential international customers that the only reason we would want to buy from it is if we were required to do so, because that is simply not the case. Our industry has moved on hugely, and it is a cutting-edge and competitive one. It is disappointing that more Members have not got up and said that in this debate. I must say that Members on both sides of the House have implied there would be a massive cost to buying here in the UK, whereas we can actually win contracts overseas.

For me, it is clear that our industry can go out and compete properly for work, based on criteria that take into account the wider benefit of delivering a particular contract in a UK yard. I want to see these ships built in the UK and I want a yard to win that contract. I want us to be able to go out and say to our international competitors that that was done because our shipbuilding industry put in a good bid, at a good price, and could deliver exactly the right product and one that they would want as well. Let us be candid: if global Britain is about saying, “We want to sell everything to you, but there is no way we’re going to buy anything in return,” it will not be particularly successful.

In every trade deal we sign, we should rightly look to include protections against subsidy or state aid. In the same way that we would look to stop the dumping of steel via tariffs, we should make sure that a procurement contract deals with any nation wanting to subsidise it with a view to having an unfair competitive advantage. Again, fair criteria would deal with that.

**Mr Sweeney:** The hon. Gentleman has perhaps heard of learning curves, which drive efficiency and productivity improvements, but that relies on a consistent

drumbeat of work in order to hone efficiencies. His prescription militates exactly against such efficiencies being achieved.

**Kevin Foster:** I completely and utterly disagree. We can have such criteria, but I am saying that telling everyone else in the world “You can buy from us, but we aren’t going to buy from you” is absolute nonsense.

The idea that our industry is unable to drive efficiencies, deliver savings and, on contracts, deliver good-quality products at the right price for customers who want to buy them is actually doing down the industry. We did not win the contract at Appledore because the Irish navy said it could buy only from shipyards located on the Irish sea; we won it because it was right, Babcock having put in an excellent bid for the contract. Sadly, the right hon. Member for North Durham (Mr Jones) could not himself name one country that would bid for such a contract—for a naval ship—abroad.

For me, it is absolutely right that we encourage people to put bids together. It is right that we have criteria—this is where I have sympathy with a lot of the Labour motion—that look to deliver products from companies based in the UK. However, I would say to Members that we cannot come to the Chamber one day and whine about the nonsense arguments about the steel industry in the United States, and then pop back here the next day and use almost the same arguments, in another context, about one of our own industries.

I believe that our shipbuilding industry will benefit from the fact that we have a big supply line order for the Navy, and that it will strongly benefit from long-term maintenance as well. I am the son of dockyard worker. My father did not build ships, but he spent 37 and a half years maintaining and repairing them. It is quite sad to hear people dismiss the after-work as something rather minor, because it is actually a massive part of a contract. The vast majority of the money spent on the Dreadnought class will be in the maintenance and refitting of the submarines over their whole lifetimes.

For me, this debate is welcome, and we agree with elements of the motion. There will now be some pretence that I have argued such ships should be built abroad. No, I have argued that we need to have a consistent policy as a nation, because if we are not consistent, we cannot expect others to be consistent when they are dealing with our industries.

5.34 pm

**John Spellar (Warley) (Lab):** I will now bring us back to the real world of the defence procurement industry. The Minister wrapped himself in knots over article 346, and it very much reminded me of Madeleine Albright’s response to Robin Cook when he told her during the events in Kosovo, “Our lawyers say I can’t do that.” “Change your lawyers,” she said, “and get better legal advice.” As I will come on to later, that is what every other country does.

We are not saying that we do not want to work in partnership with other countries; we do, and we want to do so effectively, and not just for shipbuilding, which obviously we are focusing on today. We have to look forward. I am pleased that the Minister announced an announcement on the air strategy next week. In particular, we are hoping for an announcement on the

[John Spellar]

future combat aircraft, which we hope will go ahead, and some indications of who we will be partnering with.

Many firms in Europe are concerned by attempts to exclude us from such developments, as we are already seeing with Galileo. It is a bit ironic, in the week of the Brexit crisis, that we are asking Ministers and the Ministry of Defence to be good Europeans—to behave like our European partners. However, the MOD seems to want to act like the three wise monkeys, keeping itself in blissful ignorance. It told the Defence Committee:

“The MoD does not hold information on how other countries apply EU Regulations for defence acquisition.”

Why the hell not? Why has it not asked those questions? Why would it not make those inquiries? It almost reminds me of the sign outside Balliol College during the student demonstrations of 1968: “Do not adjust your mind—reality is at fault.” The MOD does not even want to know the reality, in case it finds it uncomfortable.

France is a very good example. Let me make it clear that I regard France as an excellent defence partner, both militarily and in manufacturing. I congratulate the Minister for Defence Procurement on an excellent performance in front of a joint committee of our Defence Committee and that of the *Assemblée Nationale*. That is what we are talking about—co-operation and collaboration between our two defence industries.

Let us be very clear: the four auxiliary oilers were awarded with no competition, and furthermore the work was directed to the Saint-Nazaire yard, which was the yard that needed it. From my experience as a Minister, that is not uncommon in Europe, in defence and in many other areas, particularly transport. Not only will European countries decide that work goes to a company of their nationality, they will say which company it goes to.

My respected colleague, the right hon. Member for New Forest East (Dr Lewis), the Chair of the Defence Committee, talked about the percentage of the economy that is spent on defence. I am sorry that he is not here; perhaps he has another commitment. He ought to understand that the economic multiplier effect—the taxes that are paid, and the money that is spent, by the people who work in the yards that will build the vessels—would increase national gross domestic product, and with it the amount that went to defence.

**Bob Stewart** (Beckenham) (Con): I thank the right hon. Gentleman, who is my friend, for giving way. Will he say quickly why we should not also support things such as Thales UK, Boeing UK and Leonardo in the UK? This is a way of doing it.

**John Spellar:** If they have locations in the UK and there is a fair share of the work, that is absolutely right, but let us look at shipyards. I have mentioned what happens in France. The Berlin-class support ships are built in Germany. The Vulcano-class tanker support ships are built in Italy. The Cantabria-class oilers are built in Spain, and of course the United States has an absolutely rigid “buy American” policy as well. That is the real world, not the fantasy world of neo-liberal economics.

It is poignant that, in the week of the National Audit Office report on the failure of Carillion, in particular through under-pricing contracts and the Government encouraging it to go for “cheapest is best”, we are still being urged to adopt “cheapest is best”. Even within that, we do not drive a hard bargain. We do not insist, in work in the UK, on compensation.

The hon. Member for Moray (Douglas Ross) talked about maintenance work for maritime patrol aircraft. Maritime patrol aircraft will be maintained by the RAF and/or by industry, or in collaboration. That is not the issue. The real issue is what actual work there will be in manufacturing. Of course, maintenance is important, but that has to be done anyway. I refer not just to our shipyards and our aircraft factories, but to the UK’s very successful defence supply chain, particularly in engineering, electronics and, with regard to shipbuilding, our steel industry, which has been so dismissed by Ministers in the past.

This is also about maintaining the necessary flow of work, partly for that supply chain but also for our yards, in particular Rosyth. Rosyth shipyard will have a gap between the completion of HMS Prince of Wales, the second aircraft carrier in 2019, and the expected refit of HMS Queen Elizabeth, the first aircraft carrier, in 2030. Work on ships could keep the shipyard operational in between those dates and would therefore be very important in maintaining flow of work. We know how important that concept is, because of what happened in Barrow. There was a break in the drumbeat in the manufacture and production of nuclear submarines. The workforce drifted away to other industries and it cost a lot of money to recreate it.

As I said at the start, I urge the Minister to look at how other countries operate; to drive out the Treasury dogma, which has been imposed on the health service, transport and defence, that the cheapest and short-term is best; to think long-term; to work with industry, the trade unions and the supply chain. Back British industry. Back British shipyards. Back British steel.

**Several hon. Members** *rose*—

**Mr Speaker:** If everybody wants to get in, speeches need to be shorter. It is up to you.

5.42 pm

**Mrs Emma Lewell-Buck** (South Shields) (Lab): Thank you, Mr Speaker. You will be pleased to hear that my speech is very short.

Today’s debate gives the Government a really simple and straightforward choice: they can show they are seriously committed to their promised renaissance in UK shipbuilding by ensuring that the contract for the new fleet solid support ships is tendered in the UK only, or they can refuse to accept our motion, proving that their commitment to a renaissance is nothing more than yet another in a long line of vacuous phrases from this Government.

I know the Government may argue the line that in their national shipbuilding strategy these ships are not warships and are therefore not safeguarded for UK construction, but in a written answer just this year the Minister for defence procurement said:

“We expect the ships will be provided with a limited range of weapons”.

He went on to explain weapons, such as small arms and close range guns. I am no arms expert, but that sounds to me like a ship that is equipped to defend itself from hostile attack. It is true, is it not, that under article 346 of the Lisbon treaty, our Government could, as other EU nations have, safeguard our own defence industries and tender these contracts in the UK.

I would stress to the Defence Secretary, if he was here, that if he is really in charge of his Department he could change that policy and set a new direction. Why can he not change this policy, adopted in the national shipbuilding strategy, so that ships such as these are safeguarded for UK construction? In short, it is a question of political will: whether he wants these ships and the associated economic benefits to impact here in the UK or abroad.

The arguments on the Labour Benches and among the public are clear. As my hon. Friend the Member for North Tyneside (Mary Glindon) said, the GMB union commissioned polling showing that 74% of people want the fleet solid support ships to be built in the UK. That could create up to 7,000 jobs, nearly 2,000 of which would be in our shipyards. An estimated nearly 5,000 jobs could be secured in the wider supply chain and the return to the taxpayer could be nearly £300 million. It would also ensure that vital skills, which are dying out in some areas, are passed on for future generations. Many of my family members have those skills. I am proud to come from a family of shipbuilders. My dad was a welder. My grandad, Herbert Lewell, and my uncle, Alan Lewell, were both painters. My other uncle, Alan Richardson, was a plater and my other grandad, John Henry Richardson, was a sheet metal worker. It is safe to say that the Tyne has some of the best shipbuilders in our country.

We are grafters in the north-east, but years of Tory Governments saw the decline of our yards, culminating eventually in the closure of the iconic Swan Hunter's—in the constituency of my hon. Friend the Member for North Tyneside—where many of my family served their time. Not content with shutting down the pits, our other mainstay of employment, the Tory Government from 1979 to 1997 ripped the heart out of my community and damned children like me and others to years of watching their parents, wider family, friends and community struggle, ravaged by mass unemployment that created a vacuum of hope for generations.

**Mary Glindon:** My hon. Friend is making a really heartfelt speech. I remember the Save our Swans campaign, and as she has touched on, this was not just about unemployment. Those men who were able to get jobs had to go across the world and leave their families, and another way of decimating the community was removing people.

**Mrs Lewell-Buck:** I thank my hon. Friend for that intervention. She is spot on. My dad spent a lot of time away—so much so that once when he came home, I did not even recognise him.

In 1981, 26,000 people were employed in shipbuilding and ship repair in the north-east. Today, that figure stands at a mere 525. My dad and the lads he worked with went from building ships, to repairing them, to being undercut by unscrupulous employers who exploited those coming from other EU states. Now many of the

valuable skills that they could have passed on are dying out and fewer younger generations are looking to shipbuilding and ship repair as a career.

This Government have said that they want a strong shipbuilding industry, and that they want to inspire a new shipbuilding generation and transform today's traditional shipbuilding regions into engines of economic growth. Today, they have an opportunity to put that rhetoric into action, delivering jobs and certainty for the future that will invigorate the communities in those regions. I just hope that they are listening.

**Several hon. Members rose—**

**Mr Speaker:** Order. The formal time limit is what it is. If colleagues felt able to speak for only four minutes, rather than seven, everybody would comfortably get in.

5.47 pm

**Douglas Chapman** (Dunfermline and West Fife) (SNP): I will try to make my speech go at the drumbeat of a Croatian polka rather than a Morris dance, Mr Speaker.

Let me start with something really positive: the early-day motion that I lodged last month on the contracts for the ships that we are talking about today has received cross-party support. I also say at the outset that Rosyth really needs the support of all 13 of the Tory MPs from Scottish constituencies, none of whom are in their place at the moment—I am sure that they will read it in *Hansard*—to support Scottish jobs and Scottish shipbuilding. They really have a good selling job to do to their party colleagues, and Scotland expects.

I am also grateful to the Chair of the Defence Committee, the right hon. Member for New Forest East (Dr Lewis), for asking a number of questions on the procurement process in a letter to the Defence Secretary on 8 May. These included really important points that had been raised by the trade unions on this issue. To give the trade unions their due, they have been exemplary in how they have conducted this campaign. The report that was commissioned, which was written by Francis Tusa, is a very good read indeed.

There is some concern about the timing of the award of the contracts, but I hope that the Minister, in summing up, will assure the House that there will be no further delay. I know that the workforce and the management at Babcock in Rosyth are good to go. That workforce have developed a reputation for dependability and bring huge contracts in on time and on budget, and what we need is a green light to get on with the job. The Minister referred earlier to our almost wanting to buy things that are cheap as chips. I remind the House, however, that the MARS tankers ran 18 months late. There is, then, a cost to procuring ships on that basis.

As the Minister knows, Rosyth dockyard is the only dry dock in the UK that can take the Queen Elizabeth class aircraft carriers. On the completion of HMS Prince of Wales in 2019, the yard will be rapidly drawn down and by 2021 will no longer have the capabilities it has today. The report published by the hon. Member for Ludlow (Mr Dunne) and commissioned by the Secretary of State makes the case for a strong, sustainable defence sector that adds to the overall prosperity of the nations of these islands. It is not just about Rosyth, however; a consortium bid, structured well enough, can work and



[Douglas Chapman]

be shared to create a win-win situation for many yards across these islands and spread the prosperity we all want to see.

The Queen Elizabeth class carriers will need to be refitted perhaps as early as 2025. The work we are discussing today for the fleet auxiliary ships should be used to keep Rosyth operational from 2020 to 2030. Can the Minister tell us when he sums up where the carriers will be refitted if Rosyth does not exist come that time? I do not know if he has paid a visit to Rosyth yet, but following a Prime Minister's Question Time, I wrote to the Prime Minister, on 25 May, inviting her to visit to see at first hand the great job our West Fife workforce were capable of. I am sad to say that I am still waiting for a response. Both the Minister and the Prime Minister have an open and hospitable invitation—please come and see us!

It is hard for SNP Members to have this kind of debate without referencing the 2014 independence referendum, as it helps to set the context around the trust, promises and guarantees given to the people of Scotland in advance of that result. To recap, the Better Together campaign promised that 13 ships would be built on the Clyde at a state-of-the-art, world-class frigate factory in Glasgow, but that commitment has been repeatedly scaled back and delayed. In fact, the factory never materialised at all. The Chancellor of the Exchequer, then the Defence Secretary, repeatedly told the people of Scotland that staying in the UK was necessary to secure the future of Scotland's shipbuilding industry. The UK Government then slashed the guarantee from 13 Type 26 frigates to eight but promised five Type 31e frigates to make up the shortfall. The Type 31e programme has now been opened up for yards across the UK to bid for, meaning that the work is not guaranteed to come to Scotland at all. As far as I can see, there is no budget line in the MOD's budget to pay for the Type 31e frigates. I see the Minister smiling, so there must be an element of truth in what I say.

In addition, there is no mention of the frigate factory in Glasgow any more. The workers on the Clyde will want to know why this UK Government are reneging on their promises. The Tories cannot be trusted on shipbuilding, with their record of broken promises in Scotland. At least the Scottish Government are supporting Scottish shipbuilding with a £30 million loan to help Ferguson Marine diversify its business on the Clyde. Where is that kind of support from the UK Government?

In conclusion, the Government have previous on shipbuilding, but the Minister has a chance to make up for the broken promises of the past. I ask him to work with the industry in Scotland and across these islands to deliver on these contracts and to convince those in the Treasury that it makes good long-term sense, and would be sustainable, to award contracts to our yards. We live in a global world, but today of all days it is time for these contracts, these ships and these jobs to come home.

5.53 pm

**John Woodcock** (Barrow and Furness) (Ind): I will try to cut short my soaring rhetoric, Mr Speaker, and give you four succinct minutes.

I agreed with much of what the Minister said about the nature of the threat we face and the need for the UK to prepare for them, not just now and for the years ahead but for the decades ahead, and about the scale of the potential threat from Russia, as it rearms and seeks to spend £30 billion extra per year on defence. We do not know where China will be in 10 or 20 years, either, except that it will almost certainly deliver on its vision to become a super military power by 2050.

I agreed with all of that, but then, towards his conclusion, the Minister clearly stated that there was opposition between building these ships in the UK and economic efficiency, and he suggested that there was opposition between building them in the UK and maximising the Navy's capabilities. That is just wrong. We need only look at the experience of Barrow shipyard and the submarine programme in the 1990s, which my right hon. Friend the Member for Warley (John Spellar) referred to so accurately.

Back in 1990 the Vanguard class of submarines came to an end, and the then Conservative Government did not introduce the Astute class programme so that there could be a seamless run-through. The result of that was not only mass unemployment, with more than 10,000 people made redundant, but all the social and economic costs which still scar the community now. It made the whole business of shipbuilding in the United Kingdom far less efficient, and it made us far less capable. Because of the delay and because of the skills that were lost to Australia and elsewhere, the first Astute-class submarine was £1 billion over budget. The overrun now affects the Dreadnought class to the extent that it is touch and go whether the new vessels will be in place to maintain the continuous at-sea deterrence which, next year, will have existed for 50 whole years.

It is clearly in both the nation's economic interests and the interests of its capability that we maintain shipbuilding, so that if we have to greatly increase our naval capability because of the uncertainty posed by future expansive states, we have the necessary capability. The Minister suggested that it was in some way wrong to give contracts in order to retain work in shipyards, but that is exactly what is needed to maintain Britain's capability to respond to uncertain threats in the future.

**Jamie Stone:** Will the hon. Gentleman give way?

**John Woodcock:** I will not, because of the need for us to wrap up.

That reason alone—apart from all the jobs that will be involved—is sufficient to place contracts in the UK, and that is what the Government ought to do.

5.56 pm

**Ruth Smeeth** (Stoke-on-Trent North) (Lab): I must begin by directing the House to my entry in the Register of Members' Financial Interests. I am a proud member of the GMB, the trade union that represents thousands of workers in our shipbuilding industry.

It is slightly challenging to follow so many Members who have spoken with such authority. I do not want to repeat what has already been said, and I shall speak as briefly as possible so that everyone can enjoy the football this evening.

The shipbuilding sector is of vast economic and strategic importance to our country. It is a £2 billion industry that directly employs over 32,000 people, with a further 20,000 jobs in the supply chain. It is a sector that continues to provide well-paid, highly skilled jobs for British workers—jobs that are desperately needed. The industry's dependence on the Royal Navy means that MOD procurement policies such as those that we are discussing today are critical to the success of British shipbuilding, as was recognised in the Government's national shipbuilding strategy. However, I fear that the Government's narrow interpretation of EU procurement rules means that they are needlessly limiting themselves in their efforts to support a major national industry.

Under article 346 of the Lisbon treaty, EU member states have nearly unlimited freedom in respect of defence procurement. It is a freedom of which many other EU nations have taken advantage in order to safeguard their own sovereign capabilities, as in the case of Germany's Berlin-class support ship and Italy's Vulcano-class logistic support vessel. Yet the UK has so far applied those protections only to the production of vessels that we define as "warships". That approach lays bare the paradox at the heart of the Government's attitude to our shipbuilding strategy. The very existence of a national shipbuilding plan suggests a recognition of the industry's vital importance to both our economy and our national defence, but the long-term success of that industry is being impinged on by a refusal to do everything that could be done to support our national shipbuilding industry.

Nowhere is that demonstrated more clearly than in the Government's decision to put the bid for the fleet solid support ships order out to international tender. We have already seen them begin to backtrack on their commitment to build three support ships, with the official tender for the project now stating

"a firm commitment for 2 ships and an option for a further 1 ship"

—so, apparently, two and a half. We should not be cost-cutting when it comes to the long-term capabilities of our Royal Navy, nor should we be putting an order of national significance out to tender abroad. The construction of those ships could give vital economic support to our national shipbuilding industry, and the £1 billion deal could provide long-term stability and investment in UK shipbuilding. As the shadow Secretary of State stated, GMB research shows that up to 6,700 jobs could be created or secured if the order were to go to a domestic shipbuilder, as well as a further 4,700 in the supply chain. That would build on BAE's recent success in securing the SEA 5000 Australian programme.

As the House knows, I am adamant that due to the industry's dependence on naval contracts, a steady drumbeat of orders is vital. Building these fleet solid support ships here in the UK would provide a real guarantee to British workers and show that the Government are serious about supporting British business.

I have spoken before in the Chamber about the importance of the wider defence family. Those who design and build these ships are as vital to our long-term national security as those who serve on them. If we were to lose those skills and that knowledge now, as we prepare for a new post-Brexit world, the damage could last for a generation.

We cannot afford to sit back and let the free market take its course while competitor countries recognise the value of using public procurement to support security-critical industries. We must not allow our skill base to erode or our communities to decline by failing to do everything we can to provide that steady drumbeat of orders that is so vital to our continued prosperity.

During the 1980s, the UK's withdrawal from the defence export market and our failure to establish a solid base in commercial production saw 75,000 jobs disappear. The impact on our communities and on our domestic capacity was devastating, and the Minister, who has now left, should be ashamed that he compared it with the mining industry. We simply cannot allow this to happen again.

A national shipbuilding strategy is a great step forward, but it needs to be more than words—we need orders. Our Royal Navy is still the best in the world. Let us see to it that it holds on to its ability to rule the waves. We must protect our domestic shipbuilding and ensure that these orders, and the jobs they bring here, are coming home.

6.1 pm

**Ronnie Cowan** (Inverclyde) (SNP): The 1980s will be ancient history for many Members, but the destruction of Clyde shipbuilding during that period remains a living, breathing part of political debate in the west of Scotland. I know that many Conservative Members will roll their eyes and think, "Oh, here we go: Thatcher and shipbuilding again." I remind them that in October 1984, the male unemployment rate in the Greenock central area was 35%. The economic shock of Thatcher's abandonment of shipbuilding left a deep wound that we are still trying to heal.

Since 1981, Inverclyde's rate of depopulation was proportionately higher than that of any other local authority area in the United Kingdom, and it is projected to decline for at least two more decades. That is the UK Government's shipbuilding legacy in Inverclyde. That is why decisions made in allocating shipbuilding contracts are so important—they can make or break communities.

The Defence Secretary needed only to visit Inverclyde to see the terrible cost of removing Government support for vital manufacturing industries, including defence shipbuilding. Many of my constituents are still angry about what happened. There is still an historical obligation to the area, which the UK Government have not fulfilled. In 1976, the UK built 134 vessels. By 2011, just four were produced by our shipyards. How different that figure might have been had the UK Government guided the industry towards a more sustainable future.

Thankfully, with the assistance of the Scottish Government, one shipbuilding yard remains in Inverclyde: Ferguson Marine. Earlier this year, Ferguson Marine bid as part of a consortium for work relating to the Type 31e frigates. Last week it successfully led a European consortium in a bid for EU funding to produce the world's first hydrogen-powered ferry. It is not a company that is afraid to move with the times. The tendering process for the fleet solid support ships is another opportunity for Ferguson Marine to show that Clyde shipbuilding is the best in the world.

We know that the MOD goes some way towards agreeing with that assessment, as its recently published report stated that Scotland was renowned for building

[Ronnie Cowan]

“the world’s finest warships.” Yet despite that, the UK Government refuse to give those same shipyards a vote of confidence by making the FSS tendering process UK-only. Building in the UK benefits the UK more than building abroad. Building ships in the UK means that the taxpayers’ money of all the hard-working men and women of the United Kingdom is reinvested in protecting their jobs. And guess what? They then pay tax to the UK Government and spend their money in their local economy. The knock-on effect is that the prosperity of the entire area improves. Beyond that, shipbuilding companies with a longer order list can invest in the long-term future of their yards, and that was exactly what they did not do in the 1970s and 1980s.

It is the UK Government’s duty to invest in the UK shipbuilding industry and give it the confidence to take on apprentices and to invest in training its workforce. If we build these ships in another country, the employees’ tax is lost to us, as is the spend in the local economy and the opportunity for investment in the yards. UK yards can barely survive and are living from hand to mouth. They certainly cannot prosper, and ultimately they will fail. We must learn from the lessons of the 1970s and 1980s. The UK Government must not turn their back on the shipbuilding industry again, as they did in the ’70s to the coalminers and the steelworkers.

In 2012, the UK Government issued the contract for the MARS tankers to a South Korean company, Daewoo. UK taxpayers were subsidising Korean shipyards. Why risk making that mistake again? I have heard it argued that if we allow countries across the globe to bid for UK work, UK shipbuilders will be able to bid for work across the globe. Well, not if they don’t exist they won’t, not if their workforce don’t possess the necessary skillsets they won’t, and not unless we have first nurtured a strong, vibrant shipbuilding sector in the UK they won’t.

The UK Government are desperately trying to find an excuse to justify the fleet solid support ships contract not involving a UK-only tendering process. It is almost as if they are trying to convince the country that they can do trade deals abroad, particularly with countries outside the EU27. Surely a UK Government who genuinely cared about domestic shipbuilding would be trying to find an excuse to give UK yards the best possible chance of success, not laying obstacles in their way and threatening a successful outcome. The excuse we have heard regurgitated over and over is that the FSS should not be seen as warships and that the tendering process should therefore be opened up to international competition. This is despite the fact that these vessels will be armed and that the Royal Fleet Auxiliary provides operational support for counter-terrorism and counter-piracy operations.

Other European states have procured internally for similar auxiliary vessels. In some instances, they did not open up their tendering process to the international market. The proposed FSS builds do not need to be put out to tender under EU rules or any other rules, yet the UK Government shrug their shoulders and say there is nothing they can do. Shipyard workers in my constituency have a right to feel angry and to be frustrated by the UK Government’s complacent attitude. I urge the Minister to think again and to give as much support as possible

to shipyards such as Ferguson Marine in my constituency. They are ready, willing and able. Their workforce will pay their tax and spend money in the community, and their senior management team will be able to invest for the long term in the future of shipbuilding on the lower Clyde. This and only this will guarantee a growing and stable workforce for generations to come.

6.7 pm

**Mr Kevan Jones** (North Durham) (Lab): I welcome this debate and declare two interests: first, as a member of the GMB union; and, secondly, as the chair of the all-party group on shipbuilding and ship repair. This is a great opportunity to highlight a great industry encompassing not only shipbuilding, but maritime engineering, ship repair, design and combat systems. It is also an opportunity to celebrate the skills of the workforce in this sector.

However, the industry is heavily reliant on the direction of Government policy. The Government issued their shipbuilding strategy earlier this year and, unlike the Under-Secretary of State for Defence, the right hon. Member for Bournemouth East (Mr Ellwood), I have actually read it in detail. The all-party group is conducting an inquiry into it at the moment. I believe that it is a missed opportunity, because it is turning the clock back to what we had in the 1980s—more competition between the yards in the UK. The Government withdrew from shipbuilding in the 1980s, but the Rand corporation found in 2005 that, rather than driving better value for taxpayers’ money, that policy drove costs up. Francis Tusa, who gave evidence to our inquiry, made it clear that, looking as far back as 1945, we can see that striving for competition in the shipbuilding industry has led to increased costs and delays.

Unlike other industries, the shipbuilding industry needs a flow-through of work. A number of Members have already highlighted the importance of the regular drumbeat of work, and my hon. Friend the Member for Barrow and Furness (John Woodcock) gave a classic example of what happens when we get it wrong. When the last Tory Government stopped building submarines, they took away the ability for the industry to do that any more. If we do that again in other sectors, we will lose the flow-through of work there as well. The hon. Member for Torbay (Kevin Foster) mentioned Appledore, but Appledore has no work coming through, so he should be arguing vociferously for the fleet solid support ships to be built here, because there is a chance that Appledore would get some of that work.

To invest in the sector, companies need stability, and the only way to get stability is to have work coming through. We cannot turn the supply of complex skills needed to build complex warships on and off like a tap, and we have seen that in Barrow. People also forget that skilled people and apprentices go and work in other sectors of the economy, so investment in this sector means investment in other sectors as well. This is also about the supply chain, because small and medium-sized companies need confidence to invest. Overall, this is about sovereign capability and whether we want this country to be able build these ships, and I think that we should.

Furthermore, we should not just concentrate on hulls. The through-life support of these ships and many others is of vital importance not just for jobs, but for technology.



If we look at the weapons systems that might go on the FSS ships and other combat ships, they will be exportable around the world. The design is exportable. BAE Systems has had great success recently with the Type 26 in Australia, and the design is a world beater. We can only achieve that, however, if we keep the designers in this country, and we can do that by ensuring a flow of work. However, where are those ships being built? They are being built, quite rightly, in Australia due to the Australian Government's commitment to having a sovereign capability to build such ships. If we want to retain skills in this country, we need to be able to do that as well.

It is a no-brainer that FSS ships should be put into UK shipyards, because that would help to keep work flowing through and provide stability. The hon. Member for Dunfermline and West Fife (Douglas Chapman) made a good point about Rosyth, because it is a world-class facility thanks both to the skilled workforce and the investment that went in. However, having put all that together, what other country in the world would then rip it apart and sell off the cranes? No one would, and that is the sort of vandalism that we are likely to face.

The arguments for why the new ships should not be built here do not hold a great deal of water. The Minister who opened the debate was completely wrong about the MARS contract, and I will read from an article in *Defense News* from August 2016:

"The bidding proceedings saw no British contractors enter the final stage of the tanker competition, leaving the door open for the huge South Korean shipyard to outbid rivals for the work."

So—[*Interruption.*] The Minister says "final" from a sedentary position. Yes, I know that, because I have spoken to some of them, and they were told by MOD officials not to bid. There is an opportunity here not only to ensure that the new ships, which we need for our defence, are procured from this country, but to support and see a renaissance in UK shipbuilding, ship repair and technology. I do not know why the Government do not want to do that. Future Government policy needs to involve more co-operation with and support for the sector, which will not only have benefits for our sovereign capability, but provide a major boost to our economy, which will certainly be needed in the next few years post-Brexit.

6.13 pm

**Chris Stephens** (Glasgow South West) (SNP): I will try my best to keep my remarks to four minutes, Mr Speaker. First, may I welcome the trade union representatives from the Clyde shipyards? Such is their passion for the industry that they have come down to London today to hear this debate.

The debate so far can be summed up by paraphrasing that great conservative icon Lord Vader because, "We want these ships, not excuses." All we have heard from Government Members has been excuses, because—[*Interruption.*] If the hon. Member for Torbay (Kevin Foster) has ever watched the films, he would know that Lord Vader is far from a socialist.

What we have heard today is exactly what we heard at Defence questions on Monday, when Opposition Members were told that the reason why fleet support ships are going to international competition is that it is in the national shipbuilding strategy. Government Back Benchers have been told that the Government will make sure the weaponry for these ships will be UK-based.

The national shipbuilding strategy is based on Sir John Parker's report, which says:

"There is the opportunity with the Fleet Solid Support ships for UK firms to make...bids, and hopefully secure the contract, thus contributing further regional economic benefits in the UK."

The Parker report does not recommend international competition for the fleet support ships, so it is wrong for Ministers to say that the national shipbuilding strategy accepted all the recommendations of the Parker report. Frankly, we find ourselves in a position where the Government are saying there should be modular build for small frigates but not for fleet support ships, which is ludicrous.

The Government cannot have it both ways. I asked a written question on the range of the weaponry, sensors, arms and close-range guns, such as the Phalanx, and the answer, published on 27 April, has been mentioned. The Phalanx is a Gatling gun designed to shoot down fast anti-ship missiles, aircraft and fast attack craft. It is fitted only to high-value ships that are vital to naval operations, so it is ludicrous to say that these ships have limited weaponry.

The MARS vessels are fitted with cannons, mini-guns, machine guns and anti-submarine and anti-surface-warfare helicopters, yet we have been told by Ministers that they are not warships. I am sorry, but I strongly disagree. If it looks like a warship and acts like a warship, it is a warship.

Opening up shipbuilding contracts for international competition only makes sense if other countries are doing the same, so which other countries are putting auxiliary ships up for international competition? Is France, Germany, Italy, Spain or the United States of America doing so? The answer is no. No one treats auxiliary ships as a commercial commodity to be bought wherever, because the reality is that other countries see them as vital ships both for military and industrial reasons.

I support the Opposition motion, and the hon. Member for Llanelli (Nia Griffith) made important points about the economic benefits of these fleet support ships being built in the United Kingdom. It will keep people in work, and it will bring tax, national insurance and vital revenue into the country. Again, if it looks like a warship and acts like a warship, it is a warship, and it should be block built in this country.

**The Parliamentary Under-Secretary of State for Defence (Guto Bebb):** Phalanx is a defensive weapon.

**Chris Stephens:** Again, the Minister is shouting from a sedentary position. The MOD website is full of the vital military components used by the Royal Fleet Auxiliary, which is why these ships should be built in the United Kingdom in a modular way—the same way as the Queen Elizabeth aircraft carrier.

6.18 pm

**Luke Pollard** (Plymouth, Sutton and Devonport) (Lab/Co-op): I not only declare an interest but, as the MP for Plymouth, Sutton and Devonport, proudly proclaim that I am the vice-chair of the all-party parliamentary group on shipbuilding and ship repair. I am very proud to be a GMB and Unite member. I add my name to the list of Members who have called today for the new Royal Fleet Auxiliary ships to be built in Britain. Build them here. Do not ship those jobs abroad.

[Luke Pollard]

This is not the first time we have had this debate. Members will recall that I led a debate in Westminster Hall on the national shipbuilding strategy in January, when I offered scrutiny and suggestions to make the strategy more robust and valuable to industry, to the Government and to our armed forces. I asked why, in an uncertain world, we are not spending more on defence, and I raised my concern about the damage caused to Plymouth and Devonport and to those who work for our Royal Navy both in and out of uniform by the constant speculation about the future of amphibious capabilities like Plymouth's Royal Marines, HMS Albion and HMS Bulwark. I also called for the RFA fleet solid support ships to be built in Britain.

Ministers will know that they have my support in calling for more money for defence from the Treasury and especially in using that money to baseport the new Type 26 frigates in Devonport, to save the amphibious ships and to strengthen our Royal Navy. Ministers will also know that I am a critical friend of theirs, and on procuring the new RFA ships abroad, they are getting it wrong and I am do not mind telling them. We need three RFA ships, not two. Cutting that order is simply not good enough. At 40,000 tonnes each, the combined order would be the same size as the aircraft carrier order, sustaining jobs right across the country.

My arguments are the same today as they were in January. We risk sleepwalking into major contracts being given to those abroad. No other major NATO power shifts supply ship work abroad. No other major NATO power would be so cavalier with its sovereign defence capabilities. No other NATO power would risk the skilled jobs of its defence industry in the way that is being done here. I believe contracts to build ships for the Royal Navy and RFA should be onshored. These ships should be homegrown, British-designed and British-made, using British steel and British technologies, and preserving Britain's sovereign defence capabilities to design, build, equip and repair complex and important ships for our own use and for export. I favour a restricted tender for these ships, as I did back in January. They will be carrying arms, munitions and supplies, so only UK shipyards should build them. I also believe that history will be unkind on those MPs who offshore our defence work.

Let us not forget that when the Royal Navy is on the frontline, in contested waters, off the coast of hostile powers, the RFA is there with it. Often overlooked, these ships form a vital part of the Royal Navy's ability to operate at sea, and they lead humanitarian, counter-piracy and counter-narcotics operations in and of themselves. RFAs are forward deployed, so they are already in the firing line. Let us not forget that the Government would have the support of Members on both sides of the House if they followed the recommendation and applied a restricted tender.

I know that the hon. and learned Member for Torridge and West Devon (Mr Cox) is now otherwise engaged in his role in the Cabinet and so cannot be here to talk about the Appledore shipyard, but it has been mentioned. Once the superb work it is doing on the Irish offshore patrol vessel is complete, the yard will have no more work. This little shipyard is first-class. It has the opportunity and the skills to build Type 31e modules or modules for

the new RFAs, but if it does not get that order, its future looks bleak. I have met the workers from this yard and let me say to the Minister that they are ready, willing and able to deliver modules for the new RFA build. Give them that chance. Back British jobs and build them here.

6.22 pm

**Mr Paul Sweeney** (Glasgow North East) (Lab/Co-op): I shall do my best to keep my remarks brief, Mr Speaker, although this is a subject close to my heart. I have grown up around the shipbuilding industry my entire life, and I had the privilege of working in it as a new graduate in 2010-11 and through to 2016. Through that time, I have learned the bitter lessons of failed and deeply flawed MOD procurement practices. Through the 1990s, my dad had to travel around the country following shipbuilding orders, as Type 23 frigate orders were drip-fed and we were usually in a race to the bottom with the Irish shipbuilders and Swan Hunter to build them. That was a recipe for disinvestment and unemployment, and that was the harsh lesson learned. That is why the Labour Government turned away from the policy after 1997 and promoted a defence industrial strategy, which was well regarded in all parts of the House. That was followed up by a terms of business agreement that would have guaranteed a stable pipeline of work, with one ship built every 12 months in a six-year design cycle for complex warships. That was extinguished in 2014 by the MOD, in pursuit of an utterly wrongheaded policy on shipbuilding procurement.

Let me make it clear: the capacity to award this contract to a British shipyard is entirely at the MOD's discretion, under the terms of article 346 of the treaty on the functioning of the European Union. Indeed, it is common practice to have done this; France, Germany, Italy, Spain and US do it. Most recently, Canada has pursued a similar policy with its national shipbuilding strategy. Its big ship construction will be focused on Vancouver and complex warship construction will be focused on Halifax, with a new purpose-built frigate factory there. Sounds familiar, does it not? Only the Canadians have actually achieved it and we have not.

The Govan shipyard is now the mainstay of British shipbuilding capacity, with the largest steelwork capacity in the UK and by a considerable margin. It is represented by the hon. Member for Glasgow South West (Chris Stephens), and I had the privilege of working in it for several years. The yard is also the only one capable of building complex warships in the UK—to date. That shipyard exists today only because it was saved in 1999 by a UK Labour Government who made it clear that they would save it by providing a Royal Fleet Auxiliary ship, the Wave class, and then another, the Bay class, to that yard. That enabled it to be match fit to build the Type 45 destroyers, the aircraft carriers and, subsequently, as we see now, the River class ships and the new Type 26 frigates. That yard exists today only because that Government took a conscious decision to ensure capacity was maintained at those shipyards.

Today, we see a new crunch point emerging. The current Royal Navy shipbuilding capacity plan for 2020 to 2040 shows a large UK ship-construction gap, primarily focused on Rosyth, which will have a 15-year gap in work between the completion of the HMS Prince of Wales and the first refit of the Queen Elizabeth or,

indeed, the build for the new future amphibious capability. It is the only facility in the UK that is currently capable of building large-beam vessels wider than 20 metres. The new FSS vessels are 29.5 metres and the new future amphibious vessels will be wider than 20 metres, so to ensure that the pipeline of capability is maintained in the UK, we must build the FSS in the UK. To ensure that we have our future amphibious capability—as the Minister conceded, the amphibious capabilities are regarded as sovereign shipbuilding capabilities—we must secure that pipeline of work to enable future amphibious-vessel construction.

Let us be clear about the economic benefits, which the Minister dusted over somewhat in his rather flimsy analysis. According to the Royal United Services Institute, naval shipbuilding work offers a return of 36p in the pound. Some £285 million would be returned to the Exchequer, but that is just a quarter of the overall industrial and economic benefit to the UK. A recent Institute for Public Policy Research report, which took into account welfare savings and greater GDP growth, found that naval shipbuilding activity in the UK offered a return of 40% to the Treasury. That must be taken into account when we consider the awarding of public procurement contracts. Some 70% of shipbuilding contracts are derived from the supply chain, which was worth £2.8 billion in 2015. That is a huge industrial benefit to the UK.

Overseas shipyards like Daewoo in South Korea are not bidding out of altruism; they are aggressively pursuing state-backed support efforts to pump-prime their own industrial base. Daewoo Shipbuilding & Marine Engineering in South Korea invested \$6 billion in 2017. Sir John Parker's report, which the Minister lauded, said:

“Overseas build brings its own challenges including potential denial of opportunities for the UK supply chain, higher costs of overseas supervision and potential foreign exchange risks”—

as we saw in the recent RFA build in Korea. The report went on:

“Nor does the foreign build of ships make the direct prosperity contribution to the UK economy that an onshore build would achieve.”

If the Ministry of Defence is to stand by its convictions and its ideological position on this issue, I urge it to demonstrate the economic and social impact of domestic production versus offshore production, instead of the flimsy assertions that Government Members have made today, which have been utterly at odds with the truth.

If the Government define a Royal Fleet Auxiliary ship as not a complex warship in respect of being fitted with armaments, do they class the River class batch 2 as complex warships? The proposed FSS ships will contain far more armaments than the River class patrol ships—*[Interruption.]* Yes, so are the patrol ships, so why do the Government define them as sovereign build but not the FSS? Their logic does not stack up; it is based on flawed analysis. We must have a virtuous cycle of investment, not a vicious cycle of disinvestment. The harsh lessons of the 1990s were learned: stop throwing away 20 years of coherent and proper defence procurement planning in this ridiculous pursuit of an ideological vanity that is going to utterly fail our shipbuilding industry.

6.27 pm

**Rebecca Long Bailey** (Salford and Eccles) (Lab): The World cup semi-final starts in less than half an hour, so I shall make sure that my comments are uncharacteristically brief.

I thank all Members who spoke today; I apologise for not referring to them individually. I give a special mention to my hon. Friend the Member for Llanelli (Nia Griffith), who made the case for why greater Government intervention is necessary not only for defence manufacturing in the UK, but, in a broader sense, for manufacturing as a whole.

Manufacturing accounts for 10% of output, 44% of exports and 70% of business investment in research and development. Output per hour is £4 higher in manufacturing than the average for all sectors, and the average annual earnings of somebody who works in manufacturing are nearly £4,000 higher than average earnings from across the whole economy. Over the past 35 years, though, the UK has lost 3 million manufacturing jobs, which is 53% of all manufacturing jobs. Compared with 66% in 1991, some 81% of all jobs in the UK are now in service sectors, and only 8% of employment is in manufacturing.

The industries that, as we have heard, provided our parents and grandparents with employment are no longer an option for our children and grandchildren. There are many reasons for this shift, including Thatcher's big bang deregulation of 1986 and the movement of production overseas in search of cheap labour. However, as time goes on the longer-term costs of this shift have become increasingly apparent, especially in three key areas. First, there is the loss of jobs and the rise of lower-skilled, lower-paid jobs. Young people growing up now are more likely to find work in services such as retail, hospitality and other low-skill, low-wage industries that often have poor terms and conditions.

The second key area is regional imbalance between areas devastated by the loss of industries and key service industry hubs such as London and the south-east. The shift to a largely service economy has not only impacted people on an individual level, but has profoundly affected entire communities. Industries that were once the sole employer and engines of local economic growth have disappeared, tearing the heart out of communities.

Let us look at Rossendale in Lancashire for example. In 1984, 58% of employees worked in textile manufacturing, but now that industry has almost completely disappeared in that area. A more recent example is Redcar, where steel runs through the veins of local people. The closure of the steelworks there has meant that thousands have lost their jobs. It is not enough to let industries fall by the wayside and simply rely on the financial sector to provide growth and then redistribute it to other areas of the country.

The third area that our industrial strategy must address is our deteriorating balance of payments. Our current account deficit currently stands at almost £18 billion, or 3.4% of GDP, and we import 41% of our manufacturing inputs. Research suggests that a rise of 10% in goods exported, and a 10% decrease in goods imported, would contribute £45 billion to the UK economy. It has been estimated that a £20 billion increase in domestic production would directly create between 100,000 and 200,000 high-quality jobs. What could the Government be doing to support British manufacturing and to encourage the



[Rebecca Long Bailey]

building of products here in Britain? A key policy lever for supporting British industry is obviously infrastructure investment. Upgrading the nation's infrastructure—

**Mr Kevan Jones:** This is all very interesting, but when is my hon. Friend going to reply to this debate? Some very serious points have been raised about defence issues, which are very relevant to defence workers across this country. I am sorry, but this is simply not answering them.

**Rebecca Long Bailey:** I thank my right hon. Friend for his contribution, but it has somewhat delayed my speech and stands in the way of the World cup semi-final. I am coming to those points.

What should the Government be doing to support British manufacturing? As I have said, infrastructure is a key tool in driving investment upwards. Upgrading the nation's infrastructure in projects such as the Swansea Bay tidal lagoon, which the Government shelved recently, would have created more than more than 2,300 jobs in Swansea and paved the way for the creation of a new domestic industry with substantial export potential. Of course, the Government must ensure that they negotiate the best deal possible, but they must also, on projects such as this, start seeing beyond the short-term basic cost calculations and realise the wider benefits of infrastructure projects such as Swansea.

The most obvious start, so obvious in fact that it is shining like a Belisha beacon, would be using the enormous power of Government procurement to support British industry. The public sector currently spends more than £200 billion every year in the private sector, but sadly this Government have failed effectively to use procurement as an economic lever for supporting manufacturing. There are many examples of this, not least the failure to support British steel. It was revealed last year that the renovation of Big Ben clock tower is using steel from Germany, Brazil and the United Arab Emirates.

**Mr Kevan Jones:** On a point of order, Mr Deputy Speaker. I thought that it was customary in a wind-up to reply to the debate. I am sorry, but Big Ben has not been mentioned this afternoon. The many defence workers who lobbied Parliament yesterday on this contract expect us to respond to this debate.

**Mr Deputy Speaker (Sir Lindsay Hoyle):** It is part of it, and I am sure that the hon. Lady is leading on to the debate that we have had.

**Rebecca Long Bailey:** I am leading on to that issue. It is a debate not only about the ships in question, but about wider manufacturing procurement strategy.

Given the severity of the crisis facing British steel, this is simply shocking. The Government need to take a long-term approach to procurement, appreciating the wider economic and societal benefits of their decisions, rather than simply driving down the upfront costs. The Minister said that this is what the shipbuilding strategy states, but what I have read so far in the strategy is extremely ambiguous, and there is no detail as to how these wider socio-economic benefits are measured or quantified. Perhaps the Minister can respond to that point in his summing up. It would also be helpful to have confirmation that reports that a deal worth £2.5 billion

in relation to the AWACS—airborne warning and control system—contract has been awarded to Boeing with no UK content.

Our motion recognises the wider socioeconomic benefits of procuring wisely. We have sought to place the fleet solid support ship order with domestic shipyards, creating or securing 6,500 jobs, including 1,805 shipyard jobs, which are highly skilled and 45% better paid than the average for all jobs. It would also mean that £285 million of the estimated cost of the order could be returned to the Exchequer through taxes. Many people across Britain clearly see it as right, moral and economically sound to take this course of action. The Government have a duty to use their enormous spending power to support British industry and its workers. Tonight, football's coming home; we need a commitment from the Government that the same will happen to British manufacturing.

6.35 pm

**The Parliamentary Under-Secretary of State for Defence (Guto Bebb):** It is a pleasure to respond to this important debate. I think that we have had 12 passionate speeches on this matter. [Interruption.] I thank the right hon. Member for North Durham (Mr Jones).

Although we all agree about the importance of the future of our shipbuilding sector, there is clearly a differential between my views and those of the Ministry of Defence, and the views of many Opposition Members. However, I am willing to recognise completely openly the commitment of those who have spoken in this debate to our defence sector, the defence industry and jobs within that industry.

Before I go on to my detailed notes, I want quickly to say two things. I have been asked to be short in my response because of a football match that is going on this evening—although, as a Welshman, I am quite happy to miss kick-off.

**Mr Deputy Speaker (Sir Lindsay Hoyle):** I assure the Minister that the rest of us are not—come on!

**Guto Bebb:** I just want to place on the record a clarification of the comments made by the Under-Secretary of State for Defence, my right hon. Friend the Member for Bournemouth East (Mr Ellwood). He was correct in saying that UK companies were involved in the MARS tanker competition and procurement process, but Opposition Members are also correct in saying that there was no British company involved in a final bid. I hope that that clarifies the point of order made by the hon. Member for Caerphilly (Wayne David).

I welcome the fact that the shadow Secretary of State has brought this debate forward. The comments made by the hon. Member for Glasgow South (Stewart Malcolm McDonald) were also very interesting, and there is no doubt that the team from Glasgow have very much argued the case for their city on this issue. I also welcome the speeches made by the right hon. Member for North Durham, the hon. Members for Dunfermline and West Fife (Douglas Chapman), for Barrow and Furness (John Woodcock) and for Glasgow South West (Chris Stephens), and of course my hon. Friend the Member for Torbay (Kevin Foster), who made an important speech highlighting the fact that we have to understand the context in which these decisions are being made.

The truth of the matter is that we did recommend a shipbuilding strategy and we commissioned a report from Sir John Parker. We have accepted all the recommendations of that report, and it is important to highlight that we have done that in full. The crux of this issue and of this debate may come down to the comments made by the right hon. Member for Warley (John Spellar). I thank him for his kind words. He said quite clearly that he had no problem whatever in companies based in the United Kingdom that are not owned or held in the United Kingdom competing for these contracts. That goes to the crux of some concerns that Government Members have about this motion, because it says very clearly that that contract should be offered only to “UK-only competition”. There is no definition of what that means, so the right hon. Member for Warley was probably discontented with the Opposition motion.

It is very clear that the Government are fully committed to supporting our defence sector. The shipbuilding strategy was not developed in order to avoid our support for the shipbuilding sector. The whole point was to ensure that we did support, in a coherent manner, a shipbuilding sector that would be competitive on an international basis, that would be able to retain the skills about which hon. Members have spoken so passionately, and that would allow the qualities of our shipbuilding sector to be understood and appreciated on a worldwide basis.

The Australian Government’s order of the Type 26 frigates in the SEA 5000 competition is an acknowledgment of the design skills that we have on the Clyde. It is also an acknowledgment of the confidence that the United Kingdom has in saying very clearly that we want to compete on an international basis and to offer our products on an international basis, and that we want to do so with a degree of confidence. We do not believe that the way forward for our shipbuilding sector is simply to say that every single vessel has to be built in the United Kingdom, because we are more ambitious for our shipyards. We want to see our shipyards winning contracts on an international basis.

I want to correct something. When I first stood at this Dispatch Box as a Defence Minister, I was told by the right hon. Member for North Durham that we had not sold a warship design in 40 years, so what made me think that we would start now? Well, we have. That is an indication of the fact that our strategy is working. It is working because we have confidence in our shipbuilding sector.

**Mr Kevan Jones:** The Minister is being economical with his quote, because it was not about design—it was about the export of a vessel, which we have not done since 1960. Does he envisage a day when we will be building French, German and Italian warships in UK yards?

**Guto Bebb:** I remind the hon. Gentleman of the comment by my hon. Friend the Member for Torbay: we won the contest to build OPVs for the Irish navy. Again, that seems to be ignored. I find it very odd that Members who claim to speak up for shipyard workers throughout the United Kingdom seem to dismiss our success in ensuring that we had that contract delivered for the Irish navy.

**Mr Sweeney** *rose*—

**Guto Bebb:** I need to make some progress because I must cover some of the points that were touched on.

From a defence perspective, we are trying to put a coherent plan in place to ensure that we have a competitive UK defence industry that can compete with the best. The way to do that is not to be scared of competition but to embrace competition. We have a shipbuilding strategy that says very clearly that we will understand the need for a national sovereign capability when it comes to building our warships. We need to make sure that we can measure our shipbuilding industry against the best in the world. The way to do that is not to go down the route of a protectionist “Britain first” policy but to invest in the capability that we have in our shipyards. That is why we invested £6.3 billion in Rosyth when we saw the fantastic build quality in the completion of the Queen Elizabeth class. That is why we are investing £3.7 billion in the first three Type 26’s in Glasgow. That is why we are showing a degree of confidence in our shipbuilding sector that Opposition Members need to share.

**John Spellar:** In a throwaway line, the Minister just made a disparaging comment about putting Britain first. What is wrong with putting Britain first?

**Guto Bebb:** The key thing, as my hon. Friend the Member for Torbay said, is that when Opposition Members talk about threats to the south Wales steel industry as a result of the “America first” policy, they are quite happy to attack Donald Trump for his protectionist attitude. The same thing can apply to this debate in spades, I am afraid. Competition and the ability to compete internationally are based not on protectionism but on the ability to be open in the way that we deal with this issue.

**Ruth Smeeth:** Will the Minister give way?

**Chris Stephens** *rose*—

**Mr Sweeney** *rose*—

**Guto Bebb:** No, I will not give way any further at this point.

The key thing that Opposition Members need to be aware of is that in addition to developing a shipbuilding strategy, we are ensuring that we are looking at the future of our combat air. That shows that this Government are taking a coherent approach across the board. We recognise fully in the Ministry of Defence the importance of defence in terms of the contribution that it can make to the prosperity of the United Kingdom. I welcome the contribution made by my hon. Friend the Member for Ludlow (Mr Dunne) in his report on the prosperity agenda, which has been welcomed by Members in all parts of the House. This Government and this Ministry of Defence intend to make sure that the lessons and the ideas put forward in that report get full consideration.

Many Opposition Members have rightly argued that in our procurement processes we should be thinking very carefully as to the means by which we can ensure a contribution to the economic wellbeing not only of the United Kingdom but of localities within the United Kingdom.

**Stewart Malcolm McDonald:** One of the ways that other NATO countries do that is by the use of multi-year defence agreements. Why do this Government not look at that seriously?

**Guto Bebb:** The hon. Gentleman makes a very important point, which has been a significant part of the discussion and is certainly being looked at closely in terms of the modernising defence programme. I welcome that sensible contribution.

**Mr Sweeney:** Will the Minister give way?

**Guto Bebb:** I am sorry, but I have to make some progress.

What we are highlighting is that across the Chamber we want to see a successful British shipbuilding sector, and we categorically want to see the conclusion of Sir John Parker's report implemented. He said clearly in recommendation 21 that he wanted to see the opportunity for British shipyards to compete for the fleet solid support ships contract. That is categorically the position of the Ministry of Defence. We want to see a competitive bid from British shipyards. It can be a competitive single bid or a block build option, but we want to see that bid forthcoming. We want that bid to win because that bid is the best, the most cost-effective, the one that offers value to the taxpayer and the one that shows that the confidence we have in our shipbuilding sector is justified and will be maintained.

**Wayne David:** Will the Minister give way?

**Guto Bebb:** I will, as a final point of courtesy, allow my fellow Welshman to intervene.

**Wayne David:** I thank my fellow Welshman for giving way. Does he think it is fair that we could be in a situation with the FSS ships where British companies will be competing with heavily subsidised companies from abroad? Is that a level playing field?

**Guto Bebb:** No, of course it is not, which is why every single tenderer in this process will be subject to the same procurement rules and the same European rules that exist at this point in time, to ensure that we have a level playing field. The hon. Gentleman should understand the importance of ensuring that we have a level playing field. The way to ensure such a level playing field is not to insist on only UK companies being able to bid for what is not a warship.

The strategy has been adopted in full and was consulted on widely. The Ministry of Defence has decided that we have to adopt the strategy and implement it, and we are confident that we will see the success of this strategy and, more importantly, a very successful future for our shipbuilding sector. I look forward to bids coming in for the fleet solid support ships from British yards with the confidence that seems to be lacking from Opposition Members.

*Question put and agreed to.*

*Resolved,*

That this House recognises the important contribution of the defence industry to the UK; calls on the Government to support

the UK defence industry by taking into account the economic and employment benefits to the UK when awarding contracts and to publish a full, overarching defence industrial strategy; and further calls on the Government to make the competition for the Fleet Solid Support ships contract a UK-only competition to maximise the return on that contract.

## Business without Debate

### DELEGATED LEGISLATION

**Mr Deputy Speaker (Sir Lindsay Hoyle):** With the leave of the House, we will take motions 3 and 4 together.

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### LOCAL GOVERNMENT

That the draft Cambridgeshire and Peterborough Combined Authority (Business Rate Supplements Functions) Order 2018, which was laid before this House on 4 June, be approved.

#### PENSIONS

That the draft Occupational Pension Schemes (Master Trusts) Regulations 2018, which were laid before this House on 18 June, be approved.—(*Craig Whittaker.*)

*Question agreed to.*

### PETITION

#### Home Education: draft guidance and consultation

6.47 pm

**Dr Alan Whitehead (Southampton, Test) (Lab):** I rise to present the petition of Polly Smith and 25 of my constituents.

The petition states:

The petition of residents of Southampton Test Constituency,

Declare that the "Home Education - Call for Evidence and revised DfE guidance" has been written following significant consultation with local authorities and no consultation whatsoever with the home education community; further that the consultation is consequently for little more than show as an intention to implement the content has already been stated: further that it seeks to encourage local authorities to breach the ECHR Article 8 and the GDPR; and further that the report provides no accessible means for a parent to address ultra vires behaviour by their local authority, where many of those authorities already act routinely in an ultra vires manner.

The petitioners therefore request that the House of Commons urges the Government to withdraw the draft guidance and the consultation, until it has put in place an accessible and workable complaints procedure and further has consulted with home educating parents, as it has with Local Authorities, what the contents should include.

And the petitioners remain, etc.

[P002203]



## Fishing Industry: Visas for Non-EEA Citizens

*Motion made, and Question proposed,* That this House do now adjourn.—(*Craig Whittaker.*)

6.48 pm

**Mr Alistair Carmichael** (Orkney and Shetland) (LD): I am delighted to see you in your place, Mr Deputy Speaker, and the Minister in her place. I have no doubt that there are other places Members may wish to be for the next half hour, but this is an important issue that matters enormously to my constituents and those of other Members and is deserving of our attention.

I should thank the Minister for her previous engagement in meetings and debates about this issue. I understand the political difficulties she finds herself in, but it has been apparent in recent weeks and months that interest in this issue is much wider than just those who represent fishing communities. It is certainly a cross-party issue. I have been notified by the hon. Member for Na h-Eileanan an Iar (Angus Brendan MacNeil), a Scottish nationalist, that he wished to be here this evening, but is not able to be so. I see in the Chamber from the Conservative party, the hon. Members for Banff and Buchan (David Duguid) and for Moray (Douglas Ross), and other Members who have an interest in this issue. There is a broad sense of agreement underpinning this matter, because the issues are highly distinctive to our fishing communities.

The root cause of the issues we are considering have as much to do with the recent history of the management of the fishing industry as with the skills shortages with which we currently have to deal. Historically, fishing boats have recruited labour—the deck hands—from their own home ports, such as coastal and island communities, but rarely from much further beyond. In recent years, although that situation has changed, the labour market has become much more competitive. Young men considering a career in fishing these days may also consider and find a very well paid career in the oil and gas industry, for example, in Shetland or in the north-east of Scotland. Renewable energy is now a source of employment, and there is also of course the merchant navy.

It has to be said that the industry is not always seen as a particularly attractive option for young people entering the jobs market these days. Those advising them, as careers advisers or teachers at school, do not see it in the round, and often as hard work in very dangerous circumstances. Sadly, the mortality figures for those working in the industry bear that out. It also has to be said that it has not been seen as an industry with a future. If we think back to the time when I first entered the House in 2001, we were just about to undertake a programme of decommissioning boats, and there was a second round of decommissioning in 2003. All these things have come together to present us with the skills shortage we have today.

This is not an unrecoverable position. I think the things that need to be put in place can be and are being put in place as a consequence of co-operation between the different Departments, as well as by the industry itself. However, it is pretty clear that unpicking some of the damage that has been done will not be quick or easy; it will take time. In the meantime, the need for labour in the fishing industry is acute, and it is becoming

more serious with every day that passes. As a consequence, many European economic area and non-EEA nationals are now recruited into the fishing industry.

The catching sector probably employs in the region of 4,000 people in the UK. We reckon that about 400 of them come from within the European Union, and a further 800 are non-EEA nationals. As a percentage of the total fleet, that is a quite remarkable set of figures, although as a proportion of the overall number of people working in the industry, it shows that we are dealing with something fairly modest in size.

Currently, the only visas available for boats wanting to take non-EEA nationals are so-called transit visas. They are normally for those joining a ship, for whatever purpose, from a port in the United Kingdom. The requirements of a transit visa state that those involved should be engaged wholly or mainly outside UK territorial waters, which for these purposes is the 12-mile limit, and they are not allowed to work within that limit. I have to say that this is a highly unsatisfactory, hand-to-mouth solution for a number of reasons. First, the requirement forces fishermen to fish where the visa regulations allow them to fish, rather than where they know they will find the fish. That has a range of consequences, some commercial and some safety-based. I can put it no better than one of my fishing constituents did in an email this morning. He said:

“The whole 12 mile thing adds stress to an already very stressful job, especially so in the winter months.”

**Bob Stewart** (Beckenham) (Con): Does that mean that people who come from outside the EEA do not get paid until they are outside the 12-mile limit? What happens when they get on board?

**Mr Carmichael:** They are paid for the hours that they work—or are engaged in employment—but they cannot actually fish until they are outside the 12-mile limit.

My second objection to the use of transit visas is that that does not work for the whole industry. It works better for some sectors such as the bigger boats, albeit imperfectly, but for the smaller boats, working in the inshore sectors, it has very little to offer. Again, the fishing White Paper last week said that growth would be encouraged in the smaller boat sector, but it simply does not work for them. It is certainly no good for the prawn trawlers that have to work in shallower inshore waters, or for those who fish langoustines off the west coast in the Minch or the Little Minch. Those waters are fertile territories for those boats but are entirely within the 12-mile limit, so non-EEA crew are totally excluded.

The third concern is that those employed under the visas are left without many of the protections that the House has said over the years they should have. A few years ago, there were a few well documented and reported cases of serious welfare issues involving the crews employed under this system—paid well below the minimum wage and not given the basic employment protections that they would have if they were part of the normal land-based workforce. I hope that that is no longer the case, and I do not believe that it was ever widespread. I hope that it does not still happen, but I cannot escape the fact that it did happen and has been reported. That can be the consequence of leaving fishing crew in this strange, unsatisfactory, twilight world of the transit visas. It highlights the need for a scheme to allow proper engagement of deckhands legally and responsibly under a visa scheme.

[Mr Carmichael]

The situation led to the creation earlier this year of the Fishermen's Welfare Alliance, a coalition of industry bodies and other associated organisations, including the Fishermen's Mission and the Apostleship of the Sea. I hope that the Minister has received and is considering the alliance's submission about a new scheme. It is not in essence a new scheme: we seek the resurrection—or re-creation—of a limited concession that operated successfully between 2010 and 2012. Other such concessions exist, and the Minister will be aware of the recently renewed one for boats working in support of offshore renewable energy developments. Such schemes can be, and often are, drawn carefully for a specific purpose.

The outline of the concession scheme that is sought is one that guarantees conditions, safety and crew welfare that are compliant with UK legal standards. It would place limits on the duration of contracts of nine months and introduce cooling-off periods to prevent long-term continuous engagements. It would include the facility to transfer employment to another operator to encourage high standards and transparency, with regular contact with the maritime charities, such as the Mission and the Apostleship, to ensure the wellbeing and fair treatment of the crews that are employed. It would seek suitable assessments to ensure that only qualified and experienced crew from outside the EEA were engaged. There would be criminal records checks, reporting obligations on arrival and departure within service events. Such a scheme would require operators to sign up to an agreed code of practice governed by an organisation, possibly like the Fishermen's Welfare Alliance, in which the Home Office could have trust. Incorporated into that code of practice, there would be—

7 pm

*Motion lapsed (Standing Order No. 9(3)),*

*Motion made, and Question proposed, That this House do now adjourn.—(Craig Whittaker.)*

**Mr Carmichael:** As I was saying, it would require the incorporation into the code of practice a commitment to invest in training, upskilling and engagement with the resident labour market, so that we could deal with and address properly the long-term structural problems in the industry that are bringing us to this point.

I suggest to the Minister that these are sensible, pragmatic and very workable solutions. I hope that when she comes to respond—I know the Secretary of State for Scotland will be meeting the Home Secretary next week, I believe to make a similar case—she will understand that this is an indication of the willingness of industry to work with the Government in a way that will be constructive and which will allow the industry to get the level of labour engagement that it needs.

**David Duguid (Banff and Buchan) (Con):** I congratulate the right hon. Gentleman on securing a debate on a very important issue that affects the fishing industry, particularly around Scotland and Northern Ireland. I thank him for doing so. Does he agree with the assessment of the Scottish White Fish Producers Association that despite a continuing increase of professionalisation and innovation in the industry, coupled with the opportunities

for leaving the EU and the common fisheries policy, it could take at least 10 years for the industry, at least in Scotland, to become fully reliant once again on local labour?

**Mr Carmichael:** If anybody should know it would be the Scottish White Fish Producers Association, as its members are the people who are completely immersed in and engaged with the industry. They know what they talk about, so when they say 10 years, it is pretty clear that that will be a reasonable estimate. I would have to say that 10 years is too long to wait. Another 10 weeks or 10 months might be manageable, but if it is 10 years, these boats will no longer be there. There will no longer be the need in 10 years, one way or another.

I understand that the Minister feels that she is caught between a rock and a hard place in respect of her party's manifesto commitments at the last general election, particularly in relation to the cap on immigration numbers—for net migration, that is. We have discussed this previously, so I understand her position, although I personally doubt whether a scheme of this sort would actually make any difference to that cap. I would be interested to hear the Minister's view about that.

**Deidre Brock (Edinburgh North and Leith) (SNP):** Is it not the case that the industry finds itself in a real bind in that fishing is a skilled occupation? As the Scottish Affairs Committee heard in its immigration inquiry, it requires considerable amounts of training, but the Migration Advisory Committee rejected the Scottish Fishermen's Federation request to place fishing on the shortage occupation list in 2010, apparently because the workers did not have the paper qualifications to show that they were skilled.

**Mr Carmichael:** Yes, that does come to the heart of it. It is the question of regarding deck hands as unskilled labour. When I last met the Minister, I reminded her of Mike Tyson's great expression that everyone has a plan until they are punched in the face. It is a bit like that for deck hands and their skill level. Everybody is seen as being unskilled until they are out in a force 10 gale with the trawl doors open having to fish. That is when we understand the real skill we are talking about here.

Perhaps I can help the Minister out, because I have become much more interested in last year's Conservative party manifesto than I had previously been, and I found a little piece that might assist her. It states:

"Decades of profound economic change have left their mark on coastal communities around Britain. We will continue to ensure these communities enjoy the vitality and opportunity they deserve."

If that commitment is anything more than warm words, we really do need urgent action from the Minister.

I want the Minister to understand why this matters so much to communities such as that which I represent. The economy in Shetland is one third fishing-dependent, so the numbers of people who work on the boats are not massive, but for every job on a boat, several jobs onshore are supported. If the boats cannot be crewed safely, they do not go to sea and they do not catch the fish. That means that people do not need to buy the fuel, to get the nets mended, and to have the engineering and electrical support that they need, and as no fish are caught, there are no jobs for the processors who deal

with the fish after they are landed. That is why this matters. It is the money that keeps businesses going. It is the money that goes into shops, that supports lawyers, doctors and accountants, that keeps children going to the school, and that keeps people living in places such as this. That is why this matters to us today.

I quote again the fishing constituent who emailed me to whom I referred. He said:

“We land 100% of our catch in Scottish ports, we source 100% of our food stores, nets and rope, wires, trawl doors, chandlery, fuel, shore engineers and electrical support plus many other sundries locally in Shetland and other Scottish ports so why are we expelled from the 12 mile limit?”

I would like to hear the Minister answer to that question this evening.

7.6 pm

**The Minister for Immigration (Caroline Nokes):** I am grateful to the right hon. Member for Orkney and Shetland (Mr Carmichael) for securing this debate and for the constructive and helpful way in which he has engaged on this important subject. This is an important matter, and very timely—I use the word “timely” with some trepidation. I note that this evening, I do not appear to have a Parliamentary Private Secretary and that there is not a single member of Her Majesty’s official Opposition in the Chamber, but fortunately, I do have my officials in the Box—as of very recently. If I did not know that the right hon. Gentleman was a man of such integrity, I might be tempted to suggest that this was a dastardly Scottish plot to keep an English Minister from her rightful place of cheering on the England football team, but I am sure that it is coming home without me intervening in any way. Perhaps as Immigration Minister I should be focusing only on whether Mr Southgate—

**Mr Deputy Speaker (Sir Lindsay Hoyle):** It is one-nil.

**Caroline Nokes:** I was moving on to that! As Immigration Minister, I shall focus solely on whether Mr Southgate will have something to declare when he returns home. I sincerely hope so, and as England have scored without me watching, perhaps I should stay well away from any screens.

Flippancy aside, as the Prime Minister stated when the Government published their sustainable fisheries White Paper last week, our fishing industry is the lifeblood of coastal communities around the UK. The Government are committed to seeing the industry thrive, an objective that I know is shared by the right hon. Gentleman, who is an assiduous defender of his constituents’ interests, and all Members in the Chamber today. I particularly thank him and my hon. Friend the Member for Banff and Buchan (David Duguid) for the way they have engaged with me constructively and collaboratively on this issue. I certainly hope that that can continue. I am always ready to listen to their views.

As we set out in the White Paper, following our exit from the EU, the UK will have the opportunity to move towards a fairer share of fishing opportunities, overhauling the current system whereby UK fishermen have received a poor deal based on fishing patterns from the 1970s. Fisheries will be a separate strand of our future relationship with the EU through the future economic partnership. Through the fisheries strand, there will be a separate

process whereby the EU and the UK, as an independent coastal state, will negotiate annually on access to waters and fishing opportunities.

The Government intend to introduce the fisheries Bill in this Session of Parliament. It will create powers to give the UK full control of our waters, set fishing opportunities and manage fisheries. Underpinning everything will be our commitment to sustainability, supporting future generations of fishermen and allowing our marine environment to thrive. I recognise that the fishing industry will be best placed to take advantage of those future opportunities if it has the workforce that it needs. I have listened very carefully to the points that have been made in this debate.

As I said earlier, I recently met a number of Members, including the right hon. Member for Orkney and Shetland, to discuss the issue. It seems very wrong to get through an evening’s Adjournment debate without referring to Strangford, and I was delighted to also meet the hon. Member for Strangford (Jim Shannon)—

**Mr Deputy Speaker (Sir Lindsay Hoyle):** Where is he?

**Caroline Nokes:** A very good question. Where is the hon. Gentleman this evening? Perhaps he had something better to do.

I am hearing clearly the message that the fishing industry, particularly in Scotland and Northern Ireland, faces particular workforce challenges, and I will be reflecting further in the near future on the case for a scheme to meet the industry’s labour needs.

**Douglas Ross (Moray) (Con):** This is an issue in my constituency as well. One of our biggest problems is with fishermen having either to get rid of their boats, or to go out and crew them themselves. I have a very ill fisherman who feels the need to go out to catch fish himself because he does not have the crew, so there is a real safety issue. The Minister mentioned meeting colleagues in the House. Will she also come to Scotland and meet fishermen to discuss this matter?

**Caroline Nokes:** I thank my hon. Friend for raising the point about safety and for extending an invitation to come to Scotland to meet representatives of the fishing industry. I am extremely optimistic that I will have the opportunity to do so over the summer recess. It is important to me that I understand at first hand the issues faced by those working in the industry.

Two key points will be to the fore when we consider the industry’s future labour needs. First, as we leave the European Union, we will take back control of immigration and have an opportunity to reframe the immigration system. The Government want to ensure that any future immigration arrangements meet the needs of the UK as a whole and of businesses across all sectors of the economy. In making sure that that happens, we will need the best evidence available, which is why we have commissioned the independent Migration Advisory Committee to report on the economic and social impacts of the UK’s departure from the EU and on how the UK’s immigration policy should best align with the Government’s industrial strategy. The committee will report in the autumn, and the Government will take full account of its recommendations when setting out their proposals for the future immigration system.



**Mr Carmichael:** I am heartened to hear that this process of engagement is under way, but may I just say that there is now a real need for urgency? A decision that will be made after consideration of a report in the autumn could leave it too late.

**Caroline Nokes:** I do not like to pull the right hon. Gentleman up on something he said earlier, but he mentioned waiting 10 weeks or 10 months. I am certainly very conscious of the urgency—he has made that point very well, as have other Members—but it is important that we have the opportunity to reflect on the MAC's report, and that we consider very carefully the needs of this particular industry and reflect on his comments about coastal communities.

Secondly, migration cannot be the primary—and certainly not the only—solution to skills and labour shortages in any part of the economy. As free movement from the EU ends, the Government will need to consider carefully what role migration schemes should play in meeting labour needs at all skill levels and across all sectors. I have no doubt that this will involve a fresh look at how immigration policy operates to meet labour needs at lower skill levels, but the Government's underlying objective will be an immigration policy that is sustainable. Reducing dependence on migrant labour is part of that, and decisions about immigration policy will properly take account of what else can be done, both by government, including the devolved Administrations, and by employers to ensure that businesses can access the skills and labour that they need.

I am very aware that these are issues for the future and that the Scottish and Northern Ireland fishing industries are pressing for a more immediate response to their labour needs now. It is not the only industry that is doing so, and the Government must act even-handedly, but, as I have said, I will be reflecting carefully on the case put forward and the practicalities involved in delivering a workable solution.

I am also aware that, as the right hon. Gentleman outlined, there are some very particular issues around how the immigration system interacts with the fishing industry and the UK's island geography, with a distinction between the controls that operate inshore and the system that applies to vessels operating beyond the 12-mile zone. I take on board the point that some see these arrangements as being unfair and arbitrary, and as presenting challenges to vessel owners in terms of

compliance, but there is an obligation on the Home Office to ensure that its policies and requirements are clear.

At the same time, there is an obligation on vessel owners to ensure that work conditions in the industry are to the standard that we would all expect and that existing immigration employer law requirements are observed. It is of clear concern that there has been evidence of exploitation of migrant workers in the fishing industry. The point has been made that a work permit scheme for the fishing industry would help with this, and I will be reflecting carefully on that.

**Mr Carmichael:** The Minister is being enormously generous in giving way, and I promise that I will not try the patience of the House any further.

This needs to be looked at by the Government as a whole, because it is not just the question of visas. Her Majesty's Revenue and Customs is now demanding that those who are employed on transit visas should be taxed as if they were working onshore, and surely that is wrong as well.

**Caroline Nokes:** There are some important issues on which we must work as a joined-up Government. I vividly recall that one of the first meetings that I had as Immigration Minister was with a Member who brought along a representative from the fishing industry on the day that the Taylor report was published. I was looking at the requirement for payslips and decent hours, and at the same time discussing the work permits and requirements of crew members working in very difficult conditions.

The Government are determined to stamp out modern slavery in the UK, and the Home Office wants to ensure that the powers we have taken under the Modern Slavery Act 2015 are used to address any residual underlying problems in the sector. We will also seek to ensure that wider work to implement the International Labour Organisation's convention on work in the fishing sector is reflected in the checks that we apply to migrant fishermen at our borders.

I welcome the debate. I hope that I have reassured the House that the Government are listening to the case that is being made to us.

*Question put and agreed to.*

7.16 pm

*House adjourned.*

## Deferred Division

### ELECTRICITY

That the draft Renewables Obligation (Amendment) Order 2018, which was laid before this House on 4 June, be approved.

*The House divided: Ayes 301, Noes 211.*

*Votes cast by Members for constituencies in England and Wales: Ayes 284, Noes 201.*

### Division No. 206]

#### AYES

Adams, Nigel  
Afolami, Bim  
Afriyie, Adam  
Aldous, Peter  
Allan, Lucy  
Allen, Heidi  
Amess, Sir David  
Andrew, Stuart  
Argar, Edward  
Atkins, Victoria  
Bacon, Mr Richard  
Badenoch, Mrs Kemi  
Baker, Mr Steve  
Baldwin, Harriett  
Barclay, Stephen  
Baron, Mr John  
Bebb, Guto  
Bellingham, Sir Henry  
Benyon, rh Richard  
Beresford, Sir Paul  
Berry, Jake  
Blackman, Bob  
Blunt, Crispin  
Boles, Nick  
Bone, Mr Peter  
Bottomley, Sir Peter  
Bowie, Andrew  
Bradley, Ben  
Bradley, rh Karen  
Brady, Sir Graham  
Braverman, Suella  
Brereton, Jack  
Bridgen, Andrew  
Brine, Steve  
Brokenshire, rh James  
Bruce, Fiona  
Buckland, Robert  
Burghart, Alex  
Burns, Conor  
Burt, rh Alistair  
Cairns, rh Alun  
Campbell, Mr Gregory  
Cartlidge, James  
Cash, Sir William  
Caulfield, Maria  
Chalk, Alex  
Chishti, Rehman  
Churchill, Jo  
Clark, Colin  
Clark, rh Greg  
Clarke, rh Mr Kenneth  
Clarke, Mr Simon  
Cleverly, James  
Clifton-Brown, Sir Geoffrey  
Coffey, Dr Thérèse  
Collins, Damian  
Costa, Alberto  
Courts, Robert  
Cox, Mr Geoffrey

Crabb, rh Stephen  
Crouch, Tracey  
Davies, Chris  
Davies, David T. C.  
Davies, Glyn  
Davies, Mims  
Dinenage, Caroline  
Djanogly, Mr Jonathan  
Docherty, Leo  
Dodds, rh Nigel  
Donelan, Michelle  
Dorries, Ms Nadine  
Double, Steve  
Dowden, Oliver  
Doyle-Price, Jackie  
Drax, Richard  
Duddridge, James  
Duguid, David  
Duncan, rh Sir Alan  
Duncan Smith, rh Mr Iain  
Dunne, Mr Philip  
Ellis, Michael  
Ellwood, rh Mr Tobias  
Elphicke, Charlie  
Eustice, George  
Evans, Mr Nigel  
Evennett, rh Sir David  
Fabricant, Michael  
Fallon, rh Sir Michael  
Field, rh Mark  
Foster, Kevin  
Fox, rh Dr Liam  
Francois, rh Mr Mark  
Frazer, Lucy  
Freeman, George  
Freer, Mike  
Fysh, Mr Marcus  
Gale, Sir Roger  
Garnier, Mark  
Ghani, Ms Nusrat  
Gibb, rh Nick  
Gillan, rh Dame Cheryl  
Glen, John  
Goodwill, rh Mr Robert  
Gove, rh Michael  
Graham, Luke  
Graham, Richard  
Grant, Bill  
Grant, Mrs Helen  
Gray, James  
Grayling, rh Chris  
Green, Chris  
Green, rh Damian  
Greening, rh Justine  
Grieve, rh Mr Dominic  
Griffiths, Andrew  
Gyimah, Mr Sam  
Hair, Kirstene  
Halfon, rh Robert

Hall, Luke  
Hammond, rh Mr Philip  
Hammond, Stephen  
Hancock, rh Matt  
Hands, rh Greg  
Harper, rh Mr Mark  
Harrington, Richard  
Harris, Rebecca  
Harrison, Trudy  
Hart, Simon  
Hayes, rh Mr John  
Heald, rh Sir Oliver  
Heappey, James  
Heaton-Harris, Chris  
Heaton-Jones, Peter  
Henderson, Gordon  
Herbert, rh Nick  
Hinds, rh Damian  
Hoare, Simon  
Hollingbery, George  
Hollinrake, Kevin  
Hollobone, Mr Philip  
Holloway, Adam  
Howell, John  
Huddleston, Nigel  
Hughes, Eddie  
Hurd, rh Mr Nick  
Jack, Mr Alister  
James, Margot  
Javid, rh Sajid  
Jayawardena, Mr Ranil  
Jenkin, Sir Bernard  
Jenkyns, Andrea  
Jenrick, Robert  
Johnson, Dr Caroline  
Johnson, Gareth  
Johnson, Joseph  
Jones, Andrew  
Jones, rh Mr David  
Jones, Mr Marcus  
Kawczynski, Daniel  
Keegan, Gillian  
Kennedy, Seema  
Kerr, Stephen  
Knight, rh Sir Greg  
Knight, Julian  
Kwarteng, Kwasi  
Lamont, John  
Lancaster, rh Mark  
Latham, Mrs Pauline  
Leadsom, rh Andrea  
Lefroy, Jeremy  
Leigh, Sir Edward  
Letwin, rh Sir Oliver  
Lewer, Andrew  
Lewis, rh Brandon  
Lewis, rh Dr Julian  
Liddell-Grainger, Mr Ian  
Lidington, rh Mr David  
Lopez, Julia  
Lopresti, Jack  
Lord, Mr Jonathan  
Loughton, Tim  
Mackinlay, Craig  
Macleane, Rachel  
Main, Mrs Anne  
Mak, Alan  
Malthouse, Kit  
Mann, Scott  
Masterton, Paul  
Maynard, Paul  
McLoughlin, rh Sir Patrick  
McVey, rh Ms Esther  
Menzies, Mark  
Mercer, Johnny  
Merriman, Huw  
Metcalfe, Stephen  
Miller, rh Mrs Maria  
Milling, Amanda  
Milton, rh Anne  
Mitchell, rh Mr Andrew  
Moore, Damien  
Mordaunt, rh Penny  
Morgan, rh Nicky  
Morris, Anne Marie  
Morris, David  
Morris, James  
Morton, Wendy  
Mundell, rh David  
Murray, Mrs Sheryll  
Murrison, Dr Andrew  
Neill, Robert  
Newton, Sarah  
Nokes, rh Caroline  
Norman, Jesse  
O'Brien, Neil  
Offord, Dr Matthew  
Opperman, Guy  
Parish, Neil  
Patel, rh Priti  
Paterson, rh Mr Owen  
Pawsey, Mark  
Penning, rh Sir Mike  
Penrose, John  
Philp, Chris  
Pincher, Christopher  
Poulter, Dr Dan  
Pow, Rebecca  
Prentis, Victoria  
Prisk, Mr Mark  
Pursglove, Tom  
Quin, Jeremy  
Quince, Will  
Raab, Dominic  
Redwood, rh John  
Rees-Mogg, Mr Jacob  
Robertson, Mr Laurence  
Robinson, Gavin  
Robinson, Mary  
Rosindell, Andrew  
Ross, Douglas  
Rowley, Lee  
Rudd, rh Amber  
Rutley, David  
Sandbach, Antoinette  
Scully, Paul  
Seely, Mr Bob  
Selous, Andrew  
Shapps, rh Grant  
Sharma, Alok  
Shelbrooke, Alec  
Simpson, rh Mr Keith  
Skidmore, Chris  
Smith, Chloe  
Smith, Henry  
Smith, rh Julian  
Soames, rh Sir Nicholas  
Spelman, rh Dame Caroline  
Spencer, Mark  
Stephenson, Andrew  
Stevenson, John  
Stewart, Bob  
Stewart, Iain  
Stewart, Rory

Streeter, Mr Gary  
 Stride, rh Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo  
 Syms, Sir Robert  
 Thomas, Derek  
 Thomson, Ross  
 Throup, Maggie  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Trevelyan, Mrs Anne-Marie  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Vaizey, rh Mr Edward

Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, rh Mr Ben  
 Warburton, David  
 Warman, Matt  
 Watling, Giles  
 Whately, Helen  
 Wheeler, Mrs Heather  
 Whittaker, Craig  
 Wiggin, Bill  
 Wilson, rh Sammy  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wragg, Mr William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

Healey, rh John  
 Hermon, Lady  
 Hill, Mike  
 Hillier, Meg  
 Hobhouse, Wera  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hoey, Kate  
 Hollern, Kate  
 Howarth, rh Mr George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jardine, Christine  
 Jones, Darren  
 Jones, Gerald  
 Jones, Graham  
 P.  
 Jones, rh Mr Kevan  
 Jones, Sarah  
 Jones, Susan Elan  
 Keeley, Barbara  
 Kendall, Liz  
 Khan, Afzal  
 Killen, Ged  
 Kinnock, Stephen  
 Kyle, Peter  
 Laird, Lesley  
 Lake, Ben  
 Lamb, rh Norman  
 Lee, Karen  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Lloyd, Stephen  
 Lloyd, Tony  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Malhotra, Seema  
 Mann, John  
 Marsden, Gordon  
 Martin, Sandy  
 Maskell, Rachael  
 Matheson, Christian  
 McCabe, Steve  
 McCarthy, Kerry  
 McDonald, Andy  
 McDonnell, rh  
 John  
 McGovern, Alison  
 McInnes, Liz  
 McKinnell, Catherine  
 McMahan, Jim  
 McMorrin, Anna  
 Mearns, Ian  
 Moon, Mrs Madeleine  
 Moran, Layla  
 Morden, Jessica  
 Morgan, Stephen  
 Morris, Grahame  
 Murray, Ian  
 Norris, Alex  
 Onasanya, Fiona

Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Peacock, Stephanie  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Pollard, Luke  
 Pound, Stephen  
 Powell, Lucy  
 Qureshi, Yasmin  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Ellie  
 Reynolds, Emma  
 Reynolds, Jonathan  
 Rodda, Matt  
 Rowley, Danielle  
 Ruane, Chris  
 Ryan, rh Joan  
 Saville Roberts,  
 Liz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sherriff, Paula  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, Angela  
 Smith, Eleanor  
 Smith, Jeff  
 Smith, Laura  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Snell, Gareth  
 Sobel, Alex  
 Spellar, rh John  
 Stevens, Jo  
 Streeting, Wes  
 Stringer, Graham  
 Sweeney, Mr Paul  
 Tami, Mark  
 Thomas-Symonds,  
 Nick  
 Thornberry, rh Emily  
 Timms, rh Stephen  
 Turley, Anna  
 Turner, Karl  
 Twigg, Stephen  
 Twist, Liz  
 Vaz, Valerie  
 Walker, Thelma  
 West, Catherine  
 Whitehead, Dr Alan  
 Whitfield, Martin  
 Williams, Dr Paul  
 Woodcock, John  
 Zeichner, Daniel

### NOES

Abbott, rh Ms Diane  
 Ali, Rushanara  
 Amesbury, Mike  
 Antoniazzi, Tonia  
 Ashworth, Jonathan  
 Bailey, Mr Adrian  
 Barron, rh Sir Kevin  
 Beckett, rh Margaret  
 Benn, rh Hilary  
 Berger, Luciana  
 Blackman-Woods, Dr Roberta  
 Blomfield, Paul  
 Brabin, Tracy  
 Brake, rh Tom  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Buck, Ms Karen  
 Burden, Richard  
 Burgon, Richard  
 Butler, Dawn  
 Byrne, rh Liam  
 Cable, rh Sir Vince  
 Cadbury, Ruth  
 Campbell, rh Mr Alan  
 Campbell, Mr Ronnie  
 Carden, Dan  
 Carmichael, rh Mr Alistair  
 Champion, Sarah  
 Chapman, Jenny  
 Charalambous, Bambos  
 Clwyd, rh Ann  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, rh Yvette  
 Coyle, Neil  
 Creagh, Mary  
 Cruddas, Jon  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Daby, Janet  
 Dakin, Nic  
 David, Wayne

De Piero, Gloria  
 Debbonaire, Thangam  
 Dent Coad, Emma  
 Dhesi, Mr Tanmanjeet Singh  
 Dodds, Anneliese  
 Doughty, Stephen  
 Dowd, Peter  
 Drew, Dr David  
 Dromey, Jack  
 Duffield, Rosie  
 Eagle, Ms Angela  
 Eagle, Maria  
 Edwards, Jonathan  
 Efford, Clive  
 Ellman, Dame Louise  
 Evans, Chris  
 Farrelly, Paul  
 Farron, Tim  
 Fitzpatrick, Jim  
 Fletcher, Colleen  
 Flint, rh Caroline  
 Fovargue, Yvonne  
 Foxcroft, Vicky  
 Frith, James  
 Furniss, Gill  
 Gaffney, Hugh  
 Gapes, Mike  
 Gardiner, Barry  
 George, Ruth  
 Gill, Preet Kaur  
 Glindon, Mary  
 Goodman, Helen  
 Green, Kate  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Griffith, Nia  
 Grogan, John  
 Haigh, Louise  
 Hamilton, Fabian  
 Hanson, rh David  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Hayman, Sue

*Question accordingly agreed to.*



# Westminster Hall

*Wednesday 11 July 2018*

[ALBERT OWEN *in the Chair*]

## Nuclear Sector Deal

9.30 am

**Trudy Harrison** (Copeland) (Con): I beg to move,

That this House has considered the nuclear sector deal.

Thank you for your chairmanship this morning, Mr Owen. I believe this is the first time I have served under your chairmanship and it is a pleasure to do so, especially as I know you have spoken often and enthusiastically about the nuclear sector and Wylfa's Hitachi Horizon investment, which I also look forward to. I thank the Minister for his attendance today and his continued interest in and genuine support for my work both in Copeland and here in Westminster. I thank all Members for their contributions to the debate.

My interest in nuclear is personal, professional and political. In 1976, there was much more to celebrate than the long hot summer—it was the year that I was born in a small coastal village adjacent to Sellafield. It is fair to say that in the late 1970s and early 1980s, the nuclear sector did not have the best image. My childhood was blighted by protests and anti-nuclear groups who advocated for all sites to be decommissioned and an end to civil nuclear energy generation. Growing up listening to my father's explanations of the industry that he worked in as a commissioning engineer—I later followed—and understanding my husband's precision skills honed over 39 years as a nuclear welder, as well as those of my brother, who works as a nuclear cyber-consultant, I know first hand how the area I proudly call home is quite rightly celebrated across the globe for nuclear excellence.

On Wednesday 17 October 1956, Queen Elizabeth II officially opened Calder Hall, the world's first nuclear-powered electricity station, in my Copeland constituency, on what is now known as the Sellafield site. Britain's civil nuclear sector was born. Some 62 years on, the industry has suffered decline. At an all-time low in 2003, it could have been seen off completely. This Government seem to have come to their senses and recognise the economic, environmental and social value of the nuclear industry. I have an incredible sense of pride in and optimism for the sector, and for Copeland in particular as the centre of nuclear excellence.

Of the 87,000 nuclear workers in the UK, 40%—some 27,000—live in Cumbria. Each worker gives an average £96,600 gross value added to the economy, as estimated by the Nuclear Industry Association and Oxford Economics. The Government's nuclear sector deal fills me with a burning ambition. There is a great deal to be optimistic about, and many priorities that I have previously advocated. I am really pleased to see the potential for better collaboration between nuclear defence and nuclear civil, and many references to apprenticeships. It is a rare document, which both excites and instils pride, as this industry, which is equal to the automotive industry in economic output, is quite rightly recognised.

Moving to the content of the deal, the optimism for research and development across the industrial strategy is welcomed. The National Nuclear Laboratory is a world-leading centre in my Copeland constituency, based near Sellafield, where scientists, in collaboration with the University of Glasgow and Lynkeos Technology, have developed an innovation that uses cosmic particles to detect nuclear materials, which could revolutionise nuclear decommissioning and the storing of historical waste. It is being used to investigate the location of molten fuel within the Fukushima Daiichi plant in Japan. The technology is now being commercialised and is just one example of how Innovate UK R&D funding is being used to create commercially marketable, globally required products.

Recognition for better routes to market, retaining intellectual property and support for export and decommissioning, is long overdue. The techniques and skills for and innovative solutions to incredibly complex legacy challenges in difficult or impossible to work in environments are being met daily in and around Sellafield and the low-level waste repository. Being the world's first to design, commission and operate, and then being the world's first to decommission, brings unprecedented opportunities for UK plc. I want to ensure that the capability in this niche area is understood by the Government. It includes technology such as the self-climbing platform that Nuvia was involved with, created to remove each piece of concrete and steel from a 61 metre stack. The reverse engineering required to cut open the world's oldest nuclear waste store, on which Babcock and Bechtel have collaborated alongside Sellafield, is another innovation.

Sellafield has become a visitor attraction in its own right, with scientists and engineers from across the world coming to see how nuclear excellence, safety and a local workforce have come together to deal with the most complex challenges. We are missing a huge opportunity if easy routes to commercialisation, an entrepreneurial spirit and much better support for small and medium-sized enterprises are not realised. The new framework to support the development and deployment of small modular reactors is brilliant. The concept of modular building with a pipeline and the potential to commercialise the technology offers substantial benefits, both nationally and internationally.

**David Morris** (Morecambe and Lunesdale) (Con): I congratulate my hon. Friend on bringing this debate to Westminster Hall. Does she agree that small modular reactors are not just a more concise way of producing nuclear power but are also an easier way to build in areas that are quite inaccessible, such as in my constituency, where we are looking for a third SMR?

**Trudy Harrison:** I absolutely agree with my hon. Friend. There is huge scope for small and medium reactors in Britain. Perhaps even more importantly, there is the opportunity for us to export skills in manufacturing and the deployment of modular reactors across the globe. But SMRs alone will not keep the lights on.

To ensure that we deal with the reality of an ageing network of existing nuclear reactors, increased power requirements and ever inflating costs, it is essential to find new ways of developing and financing new nuclear. The implementation of a regulated asset base model

[Trudy Harrison]

allows the Government to redefine new nuclear for the UK. The RAB will allow the NuGen management team, which is developing the Moorside plant in Copeland with Government assurances, to create a UK entity focused on a UK solution for UK consumers.

To secure the future of the third large-scale reactor in the Generation III programme, Moorside requires the regulated asset base to be implemented as soon as possible to give certainty to investors. The sector deal aims for a 30% reduction in the cost of new build projects by 2030, alongside promoting a more competitive supply chain, with more UK companies using advanced manufacturing methods and entering domestic and export markets for nuclear goods and services than ever before.

The global nuclear new build economy is worth around £1.2 trillion. Harnessing the scientific and industrial capability within Britain across the sector while recognising the wider opportunities in the UK's financial services and regulatory frameworks would mean that this country was geared up to take full advantage of such a huge international market. I joined the Nuclear Safeguards Bill Committee and spoke at every stage of the parliamentary process. The Nuclear Safeguards Act 2018 puts Britain in the driving seat for safeguards, security and safety, with those all under the same roof—that of the Office for Nuclear Regulation.

The many references to people in both the industrial strategy and the nuclear sector deal signifies the huge importance of continuing to develop world-class skills. With an attrition rate of around 7,000 people each year and an anticipated requirement for 100,000 nuclear workers by 2021, it is essential to deliver on the proposed investment in maths, digital and technical education.

The aim to attract a 40% female workforce by 2030 is ambitious, especially considering the long way we have to go. Today, women represent between 16% and 22% of the nuclear industry workforce across the country. HR procedures reflecting family-friendly policies will help considerably, and Women in Nuclear, an organisation in my constituency, is making significant progress in that area. Nuclear licensed sites tend, by their nature, to be coastal and rural, so all too often the essential infrastructure for working parents is seriously lacking. In my constituency, there are 4,054 under-fives, but only 1,347 childcare places. That is three children for every place. The lack of high-quality, affordable and flexible childcare is the reason why, 20 years ago, I left the nuclear industry. I want to ensure that my four daughters and their generation do not face barriers due to their gender or geography.

The nuclear sector deal gives us much hope that we can ensure effective realisation so that the nuclear companies, the UK, and communities more widely, benefit. We must consider having a body with sufficient scope and purpose, like the Nuclear Decommissioning Authority—perhaps it could be renamed the nuclear development authority—to create economic growth, accelerate the clean-up mission and meet our energy needs.

I am delighted that a representative of Britain's Energy Coast Business Cluster is in the Chamber today. The organisation actively supports the nuclear companies in Cumbria and across the north-west arc. Its comment about our nuclear opportunities and about Cumbria demonstrates the transformation over decades:

“Cumbria, a great place to work...an even better place to live”.

Delivering on the intentions in the deal, legislating for the regulated asset-base model, expanding the role of the NDA and taking a long-term approach to the industry will put us in the best position to create maximum economic impact with job and energy security for future generations. Thank you once again for your chairmanship, Mr Owen. I thank colleagues from across the House for being here, and I look forward to their contributions.

9.42 am

**Luke Pollard** (Plymouth, Sutton and Devonport) (Lab/Co-op): I thank the hon. Member for Copeland (Trudy Harrison) for securing this important debate. Nuclear jobs are good jobs, and are often located in cities and towns where good jobs in other sectors are rare. I welcome the nuclear sector deal. I believe in a mixed energy policy with a greater focus on renewables and carbon-minimising generation from nuclear.

I am a fan of new nuclear, but my constituency is home not to civil nuclear jobs but to defence jobs. Our dockyard is the sole nuclear repair and refuelling facility for the Royal Navy. Nuclear jobs are in demand, and recruiters for civil nuclear regularly try to poach the highly skilled people from our dockyard and the Royal Navy. It is right that they do so, as Devonport's nuclear workers are among the best in the business. I pay tribute to their work, which is often overlooked but is appreciated by all those who value the contribution of our submarine service—the bombers and the hunter-killers—to our nation's security.

Nuclear jobs are not in the heart of the capital like financial services jobs. They are in the regions—the north-west and the south-west—and rightly so. Although I do not always agree with the high strike price for new civil nuclear, there is no doubt in my mind that civil nuclear has a bright future. However, I will confine my remarks to defence nuclear, about which there is a bit more uncertainty in my part of the world.

Military nuclear matters. I welcome the, albeit brief, mention in the nuclear sector deal of greater co-operation between civil and defence nuclear. I believe we need to do much more to enhance collaboration and co-operation between those two sectors—not just in research, but in jobs, skills, training and, importantly, decommissioning. The civil nuclear decommissioning programme rightly enjoys cross-party support. The taxpayer has unlimited liability to clean up the nation's civil nuclear legacy and the sites contaminated by our country's exploration of civil nuclear and its mastery of nuclear energy. It is right that new nuclear has decommissioning costs built into it.

Although there has been progress on the civil side of nuclear decommissioning, that has not been the case with defence nuclear. Hon. Members may not know that the UK still has every single nuclear submarine we have ever had. It is time that the legacy of old submarines was dealt with. Devonport dockyard in my constituency has 13 laid-up nuclear submarines awaiting recycling. Rosyth in Scotland has seven, and there are more to come. In Devonport, the oldest sub in storage is HMS Valiant. She is 54 years old, and was launched in 1963 at the height of the cold war. Many have been stored for decades, including HMS Conqueror, which famously sank the Belgrano in the Falklands war.

As a proud janner and a Plymouth lad, I have grown up knowing about those subs, but far too many people do not know about them. “Don't they just go away?”

was how one person responded when I told them about the old subs. Well, no, they do not. Those nuclear submarines get stored because the UK has no funded programme to recycle them. Eight in Devonport still have nuclear fuel rods and have not been defueled yet.

Those old nuclear submarines pose no risk to local communities. It is worth stating that because, all too frequently in nuclear debates, there is a question about safety. There is no risk to our local communities, but we cannot ask Plymouth and Rosyth to look after those submarines indefinitely without a plan.

To make matters worse, time is running out. In the next five years, three more Trafalgar-class submarines will need to be stored somewhere, as they are being replaced by the Astute class, which is being built in Barrow. A decade later, the four Vanguard-class nuclear submarines—the Trident subs—will need to be stored when they are taken out of service and replaced by the new Dreadnought-class submarines. There is a pilot project under way to dismantle HMS Swiftsure—the submarine my old man served on—but after much delay the programme has been paused. Progress is not being made at the pace we need if we are to deal with the rest of the submarines.

The reason why I am taking us on this detour into military nuclear, rather than civil nuclear, which is the focus of the nuclear deal, is to make the case for greater collaboration between the defence and civil nuclear sectors. The workforce moves between the two sectors, as does the science of decommissioning, but at the moment the Government still deal with them in two distinct silos. There is efficiency in collaborating, but Ministers from all Governments—including my own in the past—have kept the two sectors apart. I say to the Minister that it is time for this generation of politicians and Ministers to grasp this issue and change it.

The need to deal with the nuclear legacy of our nation's old nuclear submarines unites all parties. That is why I have launched a cross-party campaign with the hon. Members for Copeland and for Dunfermline and West Fife (Douglas Chapman) to deal with our nation's military nuclear legacy. We sent a joint letter to the Prime Minister and other party leaders asking them to commit to fund a proper programme of recycling the UK's legacy and retired Royal Navy submarines. Successive Governments have refused to act, but that is not an option anymore.

Recycling old submarines is not cost-free, and given the Ministry of Defence's current battle with the Treasury, there seem to be more pressing priorities for the limited funding. We cannot wait any longer, so I am looking to Ministers in the Department for Business, Energy and Industrial Strategy, in particular, and the civil side to help us solve this urgent problem. We need a clear timetable for funding and dismantling, and a recycling programme. We believe that, to achieve that, we can beg, steal and borrow the principles from the civil nuclear decommissioning and waste management programme. We have called for a political consensus to recycle those old submarines and use the principles of civil nuclear decommissioning—especially the principles used by the civil Nuclear Decommissioning Authority, which should be allocated additional funding so that its work includes nuclear submarines.

The taxpayer is rightly paying to clean up old nuclear power stations around the nation, but at the moment the same funding streams and principles—the unlimited

liability, set out in law—have not been extended to old nuclear submarines, and they need to be. Civil nuclear power is built in metres of foundations, and defence nuclear power is built in floating hulls, but fundamentally the principles are the same. As well as being the right thing to do, expanding the civil nuclear clean-up budget to include nuclear submarines can turn an economic problem into an economic asset. The programme of work would create new jobs in Plymouth, Rosyth, Capenhurst and west Cumbria.

Above all, this is in the national interest. Plymouth and Rosyth cannot be asked to store old nuclear submarines indefinitely. That is why we need a properly funded plan, using the same principles as civil nuclear clean-up. The submarines must be recycled safely, sustainably and securely. I think the public are genuinely surprised and concerned to hear about the existence of these submarines. I invite hon. Members to look on Google Maps at the west side of Plymouth. They will see the submarines lined up alongside each other. When they see them there, they will realise that we have to do something about them. Not knowing about them has meant that we have been able to ignore them, but we cannot ignore them any longer.

There is only one mention of submarines in the nuclear sector deal, which I appreciate was written to look in particular at the civil nuclear side. That mention was of the equipment qualification, and while I agree with the thrust of it that greater expertise and applicability, as well as agile companies in our nuclear sector, will enhance British competitiveness, there is a market at home for nuclear decommissioning work, even before we look for new markets abroad.

The Minister has agreed to meet me and the hon. Members for Copeland and for Dunfermline and West Fife to discuss this topic, and I think that there is a positive way forward. We need to acknowledge that nuclear submarines exist and need to be dealt with; there is an existing structure of principles and of funding; and, importantly, there is a cross-party basis for any future agreement about the recycling of the submarines. I ask the Minister and his officials to look carefully at how the work can be extended so that that legacy can be dealt with once and for all.

9.50 am

**John Stevenson** (Carlisle) (Con): I congratulate my hon. Friend the Member for Copeland (Trudy Harrison) on securing the debate on an issue that is important nationally, regionally and of course to her constituency.

I welcome the nuclear sector deal. Clearly, it is not a panacea, but it is an important and significant deal which will undoubtedly help the sector—in many respects it is a signpost for the industry. The implications will not only be positive and raise the profile of the sector, but demonstrate to a wider audience the worth of the nuclear industry and its significance.

A key part of the Government's industrial strategy has, without doubt, to relate to energy: energy is vital to ensure that the industrial strategy works for the country. It also relates to energy security, and importantly, to ensuring that we have a proper base supply of nuclear energy, but with the right price so that the industry can be competitive and residential users can benefit.



[John Stevenson]

The central parts of the nuclear sector deal that I think are important for my constituents relate to skills, R&D and the supply chain, so I will be a little parochial and touch on Cumbria. In many respects, Cumbria has two USPs—unique selling points—tourism and the nuclear industry. They are of similar economic value to the county, at about £3 billion each. The real challenge for Cumbria is to ensure that the nuclear deal benefits not just one part but the whole of the county. That is why research and development is so important—we can be a world leader, and already have many innovations and developments in Cumbria. Sellafield is at the forefront of decommissioning, and the skills that come from that are so important, not only to Cumbria but to the wider industry. We must not forget the importance of the defence industry and BAE Systems down in Barrow, which demonstrates that Cumbria is home to the whole spectrum of the nuclear industry. The third element is new build, and we would like to see NuGen get on with developing the new power station in Cumbria, which will directly benefit the whole country as well as the county.

The nuclear sector deal must be looked at not in isolation, but in terms of its importance for the wider economy. It can influence the supply chain, and in my constituency we have a couple of examples: Bendalls Engineering, a significant supply chain enterprise for Sellafield, and Clark Doors Ltd, which innovates in door technology and has built a relationship with Sellafield and the nuclear industry. There is also the benefit of employment opportunities, which go beyond nuclear and into professional services and the supply chain. Importantly for Cumbria and the national economy, we must maximise the nuclear pound in our communities, and recognise nuclear as a catalyst for economic development and economic growth. I very much support the Government's initiatives. Nuclear must not be looked at in isolation but as part of the wider economy, and it therefore needs to work with local enterprise partnerships, councils and, clearly, the private sector.

I have some direct questions for the Minister. Will he confirm his support for NuGen and the development of a new build in Cumbria? Will he indicate when legislation on the RAB will be introduced? My hon. Friend the Member for Copeland mentioned the RAB and its importance for nuclear development. She also highlighted the importance of changing the role of the NDA, which should be about development, not just decommissioning. Finally, I thank the Minister for agreeing to come to the second Cumbria nuclear conference, and I very much look forward to seeing him there.

**Several hon. Members** *rose*—

**Albert Owen (in the Chair):** Order. I will call the Front Benchers at 10.30 am. A number of Members wish to speak, so if they speak for seven minutes each we should get everyone in.

9.55 am

**Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): It is a pleasure to serve under your chairmanship, Mr Owen, especially since in such debates as this we often refer to developments in your constituency.

I congratulate the hon. Member for Copeland (Trudy Harrison) on securing this important debate. We have heard a lot of enthusiasm for new nuclear, but I will change that, because I do not share that enthusiasm. In fact, the Government have many questions to answer on their path towards new nuclear, in particular on new developments.

The disastrous Hinkley Point C project exemplifies the Government's regressive energy strategy and lack of a long-term plan that could cost taxpayers billions. The project at Wylfa is no different: total project costs are unclear, but have been trailed to be about £20 billion—more expensive than Hinkley's £19.6 billion—a figure that could rise with inevitable delays. The direct investment represents a reversal of decades of opposition to investing taxpayer money in new nuclear.

The Government must fulfil the Public Accounts Committee's recommendation of a full value-for-money assessment before signing any deals, and they must consider the National Audit Office's report on Hinkley Point C. Consumers already face the impact of a bad deal made by the Government. Hinkley Point is set to cost consumers a fortune because of the appalling strike price deal that the UK Government made with EDF. As a result of the bad deal, consumers are set to pay at least £30 billion over the 35-year contract through their electricity bills.

**Mr Ian Liddell-Grainger** (Bridgwater and West Somerset) (Con): I apologise for being late, Mr Owen. I had a supply chain meeting.

I invite the hon. Gentleman to come to Hinkley C—I mean that sincerely. I will host him and I will show him around the site and what is going on at Hinkley C so that he can see on the ground what is happening there and at the National College for Nuclear. I think that it would give him a new perspective on the situation.

**Drew Hendry:** I am grateful to the hon. Gentleman for the invitation to Hinkley Point C, but seeing the construction and the rest of the work, however good the quality, would not change the fact that the deal is disastrous for the taxpayer. It is also unlikely to get any better, because we face paying for another failing nuclear project.

The strike price for the new project has been trailed at £77.50 per megawatt-hour, which is down from Hinkley Point's £92.50 through UK Government support for capital costs. That figure, however, is still significantly more than for offshore wind at £57.50 per megawatt-hour, even including intermittency costs of about £7 per megawatt-hour. How can the Minister justify that cost to the taxpayer?

My second question concerns financial liability for nuclear power station safety. Liability for nuclear developers is capped at €1.3 billion in the event of a nuclear incident, as agreed in the Brussels and Paris conventions. An event such as the one at Fukushima, however, would cost hundreds of billions of pounds. Moreover, *The Times* reported that Hitachi “won't pay” for nuclear accidents at Wylfa and that, according to *Nikkei* reports, some of Hitachi's directors want

“safeguards that reduce or eliminate Hitachi's financial responsibility for accidents at the plant”.

Hitachi has already had two serious safety breaches at its nuclear developments, one of which resulted in a \$2.7 million fine by the US Government.

Decommissioning costs ate up around half the budget of the now disbanded Department of Energy and Climate Change after the liabilities for cleaning up old nuclear plants were in effect nationalised in 2004 and 2005, when British Nuclear Fuels Ltd and British Energy faced financial problems. At the moment Hinkley C's decommissioning costs are estimated at between £5.9 billion to £7.2 billion. Dr Paul Dorfman notes that given that decommissioning costs have been consistently underrated, and the precedent set by the Government's taking ownership of liabilities of these companies more than a decade ago, it is highly likely that the Government will be forced to shoulder further costs if Hinkley developers have a shortfall. Again, will the Minister give an urgent assurance that taxpayers will not be left liable for safety failures at the Wylfa nuclear plant? That is wrong headed, especially for Scotland.

The announcement comes at a time when the prices of offshore wind, other renewables and storage solutions have dropped dramatically. Let us remember that the UK Government made the shameful decision to pull the rug out from under their long-term carbon capture and storage scheme in Peterhead. By cancelling the £1 billion competition just six months before it was due to be awarded, after spending £100 million on it, they broke their own election manifesto promise and left Peterhead—a key candidate for support—behind. The decision left a huge and damaging legacy to investment incentives and consumer confidence in the UK. Their new idea for carbon capture and storage is not the £1 billion minimum required, but a tenth of that—£100 million—which equals what was already wasted.

While the UK Government continue to fail Scotland's energy sector, the Scottish Government see carbon capture utilisation and storage—CCUS—as an important decarbonisation infrastructure requirement and essential climate change technology. Scotland remains the best-placed country in Europe to realise CCUS on a commercial scale. That is why the Scottish Government support the Acorn CCS project at St Fergus, which has also secured €1.9 million in funding. The Scottish Government have delivered an exceptional range of support for the oil and gas sector. They have delivered an increase of £270 million to the economy, jobs and a fair work portfolio, including an uplift of more than £194 million in the enterprise and energy budget to support entrepreneurship, construction and productivity. That additional funding contributes to investment of almost £2.4 billion in enterprise and skills through our enterprise agencies and skills bodies.

I could go on and give a lot more detail on the Scottish Government's support, but I will welcome one thing that the UK Government did recently: introducing the transferable tax histories mechanism in the 2017 Budget. But why has that been deferred by at least a year, when it is a crucial time for industry? That incentive could have been used to realise long-life assets.

The Scottish Government are doing everything they can with a world-leading climate Bill and bold support for renewable energy. The Scottish Government's forward-looking agenda puts Westminster's to shame. The UK Government should do more to support oil and gas and

far more to support renewables opportunities. They should not make this mistake with nuclear. It is high time that they abandoned their costly love affair with nuclear and instead focused investment that can make a real, positive difference for our environment, jobs and our economy.

**Several hon. Members** *rose*—

**Albert Owen (in the Chair):** Order. If remaining Back-Bench Members speak for no longer than six minutes, there should be time for everyone to speak who wishes to.

10.3 am

**Jack Brereton (Stoke-on-Trent South) (Con):** It is a pleasure to speak in this important debate and I congratulate my hon. Friend the Member for Copeland (Trudy Harrison) on securing it. She made many excellent points in welcoming the deal, and I agree that Ministers and industry have taken some positive and necessary steps forward to secure sector jobs and skills, and for our national prosperity.

This is the fifth sector deal under the modern industrial strategy and I hope it will not be the last; as the Minister knows, as an MP representing the potteries I am extremely keen to see a successful sector deal for ceramics. I want to highlight the transferability of skills, knowledge and technology from across the advanced manufacturing industry, which are germane to a civil nuclear sector deal.

I also want to talk about transferability and advances in the military-use nuclear sector, especially those achieved by Goodwin International in my constituency. That firm assures me that many of its skills and technology are transferable to civil-use power generation, with much to offer if the investment environment is right and if the appropriate guarantees are in place on the development of small modular reactors—SMRs.

I am encouraged by the £44 million SMR framework, which, the deal promises on page 22, will offer “greater flexibility” in the generic design assessment process. It confirms that the SMR expert finance working group will report to Ministers very soon. We can, and indeed must, be well placed to develop first-of-a-kind small reactor projects. SMRs represent an exciting new technology that opens up more of the industry to partial manufacturing in off-site supply chains. This factory-build production line approach has the potential to reduce significantly the costs of nuclear energy generation, creating economies of scale and making nuclear a much more viable solution to our future energy demands.

It is welcome that the Government intend to pursue the development of credible commercial propositions and the viability of private investment vehicles for clean energy infrastructure projects using advanced nuclear technologies. However, wherever possible and appropriate, any up-front Government guarantees on taking the energy produced by SMR technology would be extremely helpful to de-risk, and thereby leverage, the investment the Government seek from private funds and commercial companies such as Goodwin International. If we have the domestic confidence to develop SMRs, that will lead to wider confidence in the technology, leading to opportunities for the UK to benefit from exports of SMRs to other countries.

[Jack Brereton]

The Government are well aware of the crossover potential from military-use nuclear technology. On page 36, the deal talks of “our new Dreadnought submarines” and the fantastic workers at Barrow who are responsible for their assembly. I would not want it to be overlooked that those submarines rely on critical supply chains across the country. Goodwin International is expert in producing the high-end nuclear-grade steel components required. The engines are developed and produced by equally fantastic workers in Stoke-on-Trent. On page 27, in a section dedicated to sector transferability, there is explicit mention of transferable

“bespoke programmes that support the transitioning and transfer of capability between civil and defence”.

I await with great interest further details on the pilot scheme on transferable skills between oil and gas, the armed forces and manufacturing, especially as that will be aligned to “regional skills priorities.”

The city of Stoke-on-Trent and our country would benefit greatly from the envisaged career champions and work experience placements, alongside the T-levels programme and apprenticeships of the engineering and manufacturing route. Engaging young people in education and training, so that they get the transferable skills they will need for careers in advanced manufacturing and world-class engineering, is a regional skills priority for us, as is export capability. I welcome the involvement of the Department for International Trade and the export ambition of £2 billion of contracts by 2030. If anything, I hope that target proves to be rather low.

This sector deal is welcome, and so is the fact that it is not an edict from above and that, although it has concrete measures, it is not cast in stone. There is a great opportunity now for the sector and the Department for Business, Energy and Industrial Strategy to keep reaching out and to get the details right, while maintaining certain flexibility in an era of uncertain, rapid technological change. I look forward to engaging with the Government to realise the benefits for my constituents of the frameworks, pilot projects and partnership building that will advance the deal further as lessons are learned.

10.9 am

**John Woodcock** (Barrow and Furness) (Ind): It is a pleasure to serve with you in the Chair, Mr Owen, and to follow such a well-considered speech by the hon. Member for Stoke-on-Trent South (Jack Brereton). I thank him for what he said about Barrow, and for the components that his constituents so expertly make. I also thank him for the adept way in which he raised the need and the opportunities for deeper collaboration between the military and civil nuclear sectors. That is the only way I can excuse the hon. Member for Carlisle (John Stevenson) for what seemed like the appalling omission of Barrow shipyard from his roll-call of the fantastic components of Cumbria’s economy.

I congratulate the hon. Member for Copeland (Trudy Harrison) on securing this debate. I have worked closely with her on the collaboration between military and civil nuclear, and I associate myself with all the points that she made in her excellent speech. We want to ensure that south and west Cumbria becomes a global hub of civil and military nuclear excellence. We have world-class

skills at Sellafield and Barrow shipyard, and we will have them in time with NuGen—I will say more about that in a moment. We are determined that the area should do more to promote itself as one travel-to-work area, look outwards to the world and give a joint message about what we can do together.

We need support from the Government to do that. It is great to see the Minister here, not least because the debate gives him the opportunity to answer questions that he was unable to answer last week, when he was not in the House for my urgent question on the nuclear sector deal. In that urgent question, I raised our need for support from the Department for Business, Energy and Industrial Strategy for our bid to better connect south and west Cumbria, not simply metaphorically but literally and physically. We need the support of BEIS in order to persuade the Department for Transport that the transport links in our area, notably the A595 along the Cumbria coastline, which is in an appalling state, need to be addressed.

**John Stevenson:** Does the hon. Gentleman agree that it is important to have joined-up thinking within Government in this area? Yes, this is the nuclear sector deal, but it goes beyond nuclear. We need to get the Department for Transport, the Treasury and BEIS involved, so that we address issues such as the A595, which he rightly points out is badly in need of improvement.

**John Woodcock:** The hon. Gentleman is absolutely right, and I thank him for his continued support on the campaign to get the A595 to work. The Department for Education needs to be part of that joined-up thinking, because one of our other big challenges—the deal touches on this, but it is felt particularly acutely in south and west Cumbria—is raising our school standards. We have some of the most advanced jobs it is possible to have, certainly in the large-scale manufacturing projects in Barrow shipyard, yet we have school leavers with lower than average numeracy and literacy. That cannot be right, and we all need to work together to raise those standards, so that the workers we will need in future are capable of doing the tasks we need them to do from the moment they leave school.

Finally, the Minister needs to answer vital questions about the future of the Moorside development in west Cumbria. It would be unconscionable if that development did not go ahead. What the hon. Member for Copeland said about the regulated asset base is absolutely right, but this is a perilous moment for the NuGen deal. We need to hear from the Government that they will stand by the development come what may, be it with a regulated asset base or something else, and that they will not allow Moorside to stall, given the many thousands of jobs and the energy security it would bring, which are crucial to the nation. The Minister can give that message today, and we in Cumbria need to hear it.

10.14 am

**Chris Green** (Bolton West) (Con): It is a pleasure to serve under your chairmanship, Mr Owen, and to follow the hon. Member for Barrow and Furness (John Woodcock), who highlighted many important areas. He focused especially on jobs. We ought to have a good distribution of quality, secure jobs right across the country, and the energy sector in the north-west of



England is vital for providing such jobs. I appreciated that on my numerous visits to the Copeland constituency during the by-election campaign—a fourth reason to visit Cumbria. The importance to the local economy of the nuclear sector jobs at Sellafield and elsewhere ought to be recognised. The high-skilled, stable, long-term jobs that the nuclear industry provides are vital not just to people in Cumbria but to many of my constituents, because Cheshire and Warrington are another centre—albeit a very different one—for the nuclear industry.

The focus on nuclear is increasing because demand for electricity will increase in the years ahead, for a variety of reasons. There is also a focus on carbon-free energy production, for a range of good reasons, including the need to control carbon emissions due to concerns about climate change, and concerns about where our oil and gas come from. There are certain parts of the world that we would rather not be dependent on for our energy—we have only to look at the problems Russia caused a few years ago by shutting down gas supplies to eastern Europe. To have security and independence of supply would hugely benefit the country. That is a reason for going nuclear.

We also need to look at our base-load supply. At certain times, such as the middle of winter and at night, solar panels and wind turbines do not provide much energy. There is a significant focus on those technologies, but we do not have the ability to store energy if we over-produce at certain times of the year, week or day. We must therefore ensure that we have a base-load supply. If that is not going to be carbon, we must look to nuclear.

On increased demand for electricity, the Secretary of State for Transport recently made a positive announcement about the next development in our focus on electric vehicles. If we are going to have more electric vehicles—whether they are charged at home, at businesses or in other places around the country—we need to look at power sources to ensure that they can be charged rapidly. We need to look not just at the production of energy, but at its distribution. I would welcome the Minister's comments about the distribution of energy as we move into an era of more electric vehicles and other demands on the energy sector. Jobs are a key part of that, and whether we go for small modular reactors or full-scale nuclear power stations, we ultimately need cheap, affordable energy for our consumers and businesses.

10.18 am

**Mike Hill** (Hartlepool) (Lab): It is a pleasure to speak under your chairmanship, Mr Owen. I thank the hon. Member for Copeland (Trudy Harrison) for introducing the debate.

In the words of Lord Hutton of Furness, co-chairman of the Nuclear Industry Council, the UK's civil nuclear sector

“is amongst the most advanced in the world. Our global leadership status has been earned through a record across the entire nuclear lifecycle—from enrichment, through fuel production, generation, operation, new build, research and decommissioning—and increasingly enhanced by our world class regulatory system as the country's new build programme takes shape.”

Hartlepool is part of that success story. Hartlepool power station, as part of the fleet of nuclear power stations that provides more than 20% of the UK's electricity supply, has provided a low-carbon, reliable, clean energy product since 1983 and is a major provider of employment in the town.

The advanced gas-cooled reactor at Hartlepool currently provides electricity for more than 3% of the UK, with a net electrical output of 1,190 MW—enough to power 1.5 million homes. However, it is coming to the end of its life cycle, so I have written to the Secretary of State seeking support for Hartlepool as a site on which to develop new nuclear productivity around small modular reactor technology.

Hartlepool has the relevant licences, a skilled workforce, existing electricity transmission infrastructure and, more importantly, a community used to the presence of a nuclear generator. We are best placed to deliver the next generation of nuclear and meet the ambitions of the nuclear sector deal. The deal sets out pledges from both the Government and the nuclear industry for making cost reductions and initiatives to support the sector. SMRs are central to that vision, as they meet the increased demand for low-carbon solutions, produce clean, affordable energy and are much smaller than traditional nuclear reactors. Over their life cycle they could deliver £62 billion for the economy and create up to 40,000 jobs.

In an area where new energy solutions such as carbon capture and storage are being explored and developed through new technologies and industries, Hartlepool is in a prime situation to take our nuclear capability to the next level. That is why it is important that we are identified as a future site for SMRs as soon as possible. We have the potential and shared vision to develop the next generation of nuclear power and foster innovation and new technologies, and we are ready and willing to deliver this exciting agenda.

**Albert Owen (in the Chair):** Because of the discipline of Back Benchers and the concise way in which they gave speeches, I can call the Front Benchers early. I ask them to leave some time for the sponsor of the debate to say a few words at the end.

10.22 am

**Alan Brown** (Kilmarnock and Loudoun) (SNP): It is a pleasure to serve under your chairmanship, Mr Owen. I am sure it is your stewardship that has allowed the debate to progress so well. You sit through many debates in Westminster Hall and will have seen how they often have a unifying effect, with everyone saying roughly the same thing and agreeing on the argument, so I am sure as Chair you will welcome there being two sides to the argument on the nuclear sector deal. I commend my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) for providing the counter-arguments.

I commend the hon. Member for Copeland (Trudy Harrison) for securing the debate. I note that she thanked all Members for contributing at the start and end of her speech, but I wonder whether that will hold true for the contributions from my party.

I talked about there being a unifying effect, and there is no doubt that Labour and the Conservatives are singing from the same hymn sheet. In that, from our perspective there is a wee bit of a throwback to Better Together. That, again, is why I am delighted to put forward a different argument.

The hon. Member for Copeland rightly spoke about jobs and skills. I appreciate that highly skilled people work in the industry, and I commend her and all the other constituency MPs for arguing for the value of the

[Alan Brown]

jobs brought to their constituencies. It is only right that MPs should fight for jobs in their constituencies, but other people in Parliament have to look at the bigger picture, not just the narrow, localised effect. She spoke about her family history and involvement in the nuclear industry. In fact, my brother-in-law works at a nuclear site in Hunterston in Ayrshire. Again, I appreciate the high level of skills and value of the jobs, but that does not change my outlook on nuclear.

The hon. Lady spoke about the opening of a power station in 1956. I had a shudder, because I thought she had said 1966—it must be World cup fever—so I had to look it up, and I am glad it was not that year. She mentioned Glasgow University, where I did civil engineering. She also mentioned cosmic particles, which is when it starts to go above my pay grade and understanding as a civil engineer. That does illustrate the multitude of skills involved in the nuclear industry.

The hon. Lady spoke about new ways to finance nuclear energy. I suggest that they are just another way of UK plc being completely indebted currently and for future generations. She mentioned that 100,000 workers would be required by 2021, which for me was a sobering statistic. That is not far away, and if 100,000 skilled workers are required by then the Government are already way behind the curve on science, technology, engineering and maths, on university qualifications and on generating workers. Yet again, that illustrates the impact of Brexit, trying to control borders and not letting people in. There will be a massive shortfall, because there is no way to create 100,000 new workers by 2021.

**Trudy Harrison:** It is actually only an extra 13,000 workers. We currently have 87,000 workers in the UK and it will be taken up to 100,000 by 2021.

**Alan Brown:** I thank the hon. Lady for correcting the record. However, even 13,000 jobs by 2021 is still a big ask and a massive challenge for the Government.

The hon. Lady also mentioned the Nuclear Decommissioning Authority and how it should be renamed the nuclear development authority—a sleight of hand picked up by other hon. Members. The NDA is responsible for massive expenditure on the historical legacy and historical folly of past investment in the nuclear industry. We should not look at it as a development opportunity. We should show it for what it is, liable for cleaning up the mess of past investment.

I would suggest the hon. Member for Plymouth, Sutton and Devonport (Luke Pollard) went slightly off topic and concentrated on the military, which is understandable, given his constituency interests. He did not say how the new nuclear submarines and Trident replacement will cost £200 billion, which is another nuclear folly investment that we could do without. I agree with him on Government silos. He said we should beg, steal and borrow from the civil nuclear industry to help the military, but that is not the right approach to nuclear; that is what has got us into the mess we already see. He also said that nuclear submarines cannot be stored indefinitely. I completely agree. That is another mistake that Governments of different colours have made. It is time the Government took action to address that, rather than having subs rusting away.

The hon. Member for Carlisle (John Stevenson) spoke of how Cumbria manages to juggle tourism and the nuclear industry—both civil and military. That pays testament to the beauty of Cumbria and his constituency in being able to do that. He also spoke about a change of role for the NDA, which I have already said I do not agree with.

I agree with everything said by my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey—who would have thought? When he sat down, he joked about being popular. We saw hon. Members starting to look away or tune out because they did not agree with him, but I certainly do. My hon. Friend was right to highlight the potential £20 billion of Wylfa investment, the Public Accounts Committee's recommendations and the bad deal that is Hinkley. He correctly highlighted—let us not shy from this—that the contract for difference strike rate for offshore wind is now £57.50 per MWh, including intermittent costs. That, Mr Owen, is for only 15 years; Hinkley, at £92.50 per MWh, is a 35-year deal, so it is even more than what we are sometimes led to believe. My hon. Friend correctly highlighted Hitachi's past failures and fines, and the decommissioning costs of Hinkley, and I will make further comments about that.

The hon. Member for Stoke-on-Trent South (Jack Brereton) spoke about the £44 million package for small modular reactors. I admire his optimism, but I suggest it is a bit naive. This unproven technology still needs to be developed, and let us not be kidded that the Government will enter into another blank cheque agreement to supply the SMRs.

The hon. Member for Barrow and Furness (John Woodcock) spoke about the world-class skills at Sellafield, and I agree with him. However, some of those world-class skills are due to the £91 billion cost of decommissioning at Sellafield—there is a legacy for the nuclear industry to be proud of. It is estimated that those decommissioning costs will be £121 billion by 2020, which again illustrates the folly of it all. The hon. Gentleman also mentioned baseload, but even National Grid now says that baseload is an outdated concept based on past assumptions.

The hon. Member for Bolton West (Chris Green) says that we should not rely on foreign countries for our energy supply, but let me ask him who is involved in Hinkley—I am pretty sure that China is classed as a foreign country, although perhaps not one we want to rely on for the security of our energy supply.

The hon. Member for Hartlepool (Mike Hill) spoke about small modular reactors, and he also mentioned carbon capture and storage—I would certainly welcome the development of CCS in his constituency and the wider Teesside area.

Hinkley was the Prime Minister's first U-turn. When she came to power she hit pause on Hinkley Point C, which I welcomed. I thought, "Here we go. Let's have a fresh look at this and scrap the project", but no, there was another U-turn, and the strong and stable Prime Minister showed her will and backbone, caved in and threw money at foreign countries to allow Hinkley to go ahead.

The nuclear sector deal, at £200 million as well as the £32 million kick-start for research and development, is small beer in terms of overall Government expenditure. Hon. Members have said how good that funding is, but it is really just a signal of intent, rather than absolute hard cash. Indeed, compare that funding with

the £586 million in sunk costs of three major contracts that have been cancelled at Sellafield since 2012, because the Nuclear Decommissioning Authority found more cost-effective strategies. The real hidden cost of nuclear power is the cost of decommissioning.

A National Audit Office report states that the cost of decommissioning will be £121 billion, and £6 billion is the total expected spend on major projects that are currently in design or under construction at Sellafield. Sellafield Ltd's spend on major projects in 2017-18 was £483 million. I understand why constituency MPs welcome that spend and the jobs in their constituencies, but taxpayers across the UK are picking up the bill to support those local jobs, and we need to take a closer look at the issue. I will conclude my remarks by urging the Government to end the folly of their nuclear obsession, start reinvesting in renewables, and allow onshore wind and solar to bid for future contract for difference options. That is the future, not nuclear.

10.33 am

**Dr Alan Whitehead** (Southampton, Test) (Lab): This morning I will concentrate on the debate initiated by the hon. Member for Copeland (Trudy Harrison), which is on the nuclear sector deal, following the publication of the industrial strategy, before making a few other remarks. I congratulate her on securing this debate. She provides an example of one of the pillars of the industrial strategy, which is about place, and during her time in the House she has been a superb advocate for her place in the country in relation to nuclear programmes. Indeed, I served with her on the Nuclear Safeguards Bill Committee, and I learned a lot about the nuclear industry and its associated activities as a result of serving on that Committee and hearing her important interventions.

In her remarks the hon. Lady put the issues in this sector deal squarely on the table. It is good that we have an industrial strategy in the first place. For many years there was no such thing as an industrial strategy in Government—indeed, the Government said that having such a strategy would be a bad idea. Having an industrial strategy document and plan, followed by sector deals, is a considerable advance towards ensuring that industries and centres of industry get collective support among themselves by using their own skills and arrangements, as well as Government support to take that forward. This sector deal has been brought forward very much as a collaborative process. The Nuclear Industry Council and the Nuclear Industry Association produced an early prototype of this sector deal to bring to the Government, and the current deal shows clear signs of that collaboration.

What should we draw attention to in the sector deal? The first thing is the extent to which it highlights our skills and strengths in particular areas of our nuclear industry. As the hon. Member for Barrow and Furness (John Woodcock) said, one of those strengths is the world-beating concentration of decommissioning, research and development, and nuclear development facilities that exist in and around Sellafield and in Cumbria generally. It seems right that the sector deal should seek to strengthen and extend the work of that centre in the UK because—as hon. Members have mentioned—of the possibilities that exist for substantial world contracts, the export of skills, knowledge and knowhow, practical assistance in nuclear decommissioning, and the many

other associated activities that can, do, and will stem from that part of the country. I commend the hon. Gentleman's suggestion that the collaboration between military nuclear and civil nuclear should be extended because, among other reasons, of the crossover of skills and technologies that can result from such collaboration.

Some hon. Members might have thought that my hon. Friend the Member for Plymouth, Sutton and Devonport (Luke Pollard) made a slight diversion from our discussion this morning, and I have discussed with him for a long time the question of what to do about decommissioning nuclear submarines. That decommissioning effectively comes under a programme in the Ministry of Defence but, as my hon. Friend said, such a programme does not exist in reality. Yet if we were to join together that decommissioning with our decommissioning in Sellafield, using the skills there, we could make enormous progress on something that, as my hon. Friend mentioned, is a dreadful blot on our national landscape—it can be seen on Google. It needs to be dealt with urgently and Sellafield is the place to do it. We should ensure we do that in the not-too-distant future. I should like that included specifically in the sector deal. Perhaps when we get to version 1.2 that will happen. By the way, another enormous centre of nuclear excellence is the Culham Centre for Fusion Energy; I should mention the sector deal funding for it and the Government's support for nuclear fusion and the work there.

Inevitably, documents have strengths and weaknesses. The weakness of the sector deal document is two-fold. Perhaps the first part of that is not a weakness but a recognition of what needs to be done in the nuclear sector in the next period. I note from the executive summary that there is to be, by agreement,

“a 30% reduction in the cost of new build projects by 2030”

and

“savings of 20% in the cost of decommissioning compared with current estimates by 2030”.

That reflects the fact that as things stand a lot of nuclear activity is just too expensive. Hon. Members have mentioned that the costs of new nuclear build and perhaps the process of bringing new builds into operation are still apparently far too high. Indeed, the national infrastructure assessment for 2018 has recently come out, and it suggests that only one new nuclear build should be signed up to before 2025, because of its analysis of the current relative costs of new nuclear and new renewables. It also suggests that, even with arrangements such as the regulated asset base that the Government are looking at in relation to new nuclear build, costs would be transferred rather than reduced. Certainly if that arrangement meant that consumers bore the same costs, but in advance of the plants coming into operation, which appears to be one mechanism of the regulated asset base arrangement, it would be an evasion of the task ahead, rather than implementation. It seems to me that the commitment in the nuclear sector deal to bring those costs down is important, and that it is an essential element of the way nuclear build would compete in the future with other forms of energy production. That is an important component of the nuclear sector deal.

Finally, I want briefly to draw attention to the advanced nuclear reactors that have been discussed here this morning—small modular nuclear reactors. There is a cost element problem attached to them, too, but they



[Dr Alan Whitehead]

have substantial advocates, for a variety of reasons. There is a suggestion that their modular nature could bring down costs considerably. The document includes a commitment to £44 million, as the hon. Member for Copeland and others have mentioned, to underpin developments on small modular nuclear reactors. That is a bit of a surprise to me, as I recall hearing a suggestion in the 2016 Budget that there should be £250 million of support for them and, indeed, a competition to sort out the best designs. I also recall that in the following two years I did not hear any news about the competition or its outcomes, or about the expenditure of the £250 million, other than a statement by the Minister at the end of 2017 that there might be up to £100 million, not for a competition but for the development of small modular nuclear reactors. As it turned out, the Minister then made a statement that £56 million would be available.

Now, in the nuclear sector deal, the figure is £44 million. That is not to my mind exactly a great deal, from the Government end, for small modular nuclear reactors in the future, bearing in mind what was previously promised and what is in place now. I wonder if the Minister would comment on whether that is because of efficiency gains or the allocation of the money for other purposes—or perhaps because the Government are simply cooling towards the idea of supporting small modular nuclear reactors and have put a reduced sum in the nuclear sector deal. Whatever the reason, Government support for a promising and interesting development seems to have been substantially downgraded. What are the Minister's thoughts on the appropriateness of that, and might he have further thoughts on how the support could be better deployed in future, on new deals?

10.48 am

**The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Richard Harrington):** It is a pleasure, as always, Mr Owen, to speak under your chairmanship. I would very much like to answer the shadow Minister's points, but I am very short of time. I congratulate my hon. Friend the Member for Copeland (Trudy Harrison) on securing the debate. In fact, on a recent visit to Sellafield she knew so many people that I thought there should be a big sign in the street saying "There's oodles of Troodles"—because she is omnipresent. She personifies the way the Government support the nuclear sector. I must disagree with the two Scottish National party speeches; there is a fundamental difference of opinion there. We believe that nuclear is an important part of the mix for this country. We do not agree that it is incompatible with building up renewables. Security of supply is the most important thing. One of our strengths is the balance that we have. I know that will continue. [Interruption.] I do not really have time to give way. I have to get on, or I cannot answer hon. Members' questions. The Government are committed to those strengths. We must develop the technologies that will transform existing industries; that is part of our industrial strategy and the nuclear sector deal is an important part of that.

I must apologise to the hon. Member for Barrow and Furness (John Woodcock) for not being at his urgent question, but when I heard about it I was on a train from Chester to north Wales to help launch the nuclear

sector deal. However, had he informed me the night before, it would of course have been my pleasure to be there. I will come on to his points in a moment.

The sector deal was launched in Trawsfynydd in north Wales, which is a fitting setting for it. It is a £200 million package with a focus on innovation, cost reduction and skills, to ensure we have the technology and expertise necessary to maintain the UK's position as one of the world's leaders in the nuclear sector. I congratulate Lord Hutton, the sector champion; we worked with him and with industry leads from the Nuclear Industry Council to develop the content of the deal. The basic points are, first, a 30% cost reduction in the cost of new build projects. As the shadow Minister said, it is essential for the future that the cost of nuclear comes down.

The cost of Hinkley Point was mentioned in the contributions from the Scottish National party; that was done in such a way that there is no risk to the taxpayer but huge benefits to this country. On a recent visit to Hinkley Point, I was very well hosted by the local MP, my hon. Friend the Member for Bridgwater and West Somerset (Mr Liddell-Grainger), and I recommend that the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) takes him up on his invitation. It is an incredible site and so good for this country, with local contractors and British companies employing so many people.

The second point is to achieve savings of 20% in the cost of decommissioning compared with current estimates, and the third is hugely to increase the number of women. I was impressed by the number of women working on the site in Hinkley, particularly the apprentices.

I must rush. The hon. Member for Barrow and Furness asked me to answer a question about the transport link points and said, quite rightly, that my Department must work closely with the Department for Transport. I know that that is happening and that there is a joint committee, but, as a result of his point, I will attend the next meeting of the joint committee and personally report back to the hon. Gentleman—either by writing to him or by arranging to meet him on that subject.

NuGen Moorside, which the hon. Gentleman and my hon. Friend the Member for Carlisle (John Stevenson) mentioned, is a commercial matter between companies at the moment. The Government do not have a magic answer to that, but my hon. Friend asked me to state that we stand by to provide whatever assistance is needed, and we have shown in Wylfa, Anglesey, in which you may have an interest, Mr Owen—although I know you are interested in everything that goes on while you are in the Chair—that we will look at innovative methods of funding new nuclear developments. I understand that there are commercial negotiations going on in places such as Japan and South Korea, and we are monitoring the situation. Again, I will happily report to my hon. Friend and the hon. Member for Barrow and Furness what comes from it.

The hon. Member for Plymouth, Sutton and Devonport (Luke Pollard) brought up some interesting points, which I must say I was completely ignorant of, about the nuclear submarines in Devonport. I have not looked on Google Earth, because I thought that would be a bit rude under your chairmanship, Mr Owen, but I will do so straight afterwards. I know there is a joint review between the Ministry of Defence and ourselves on

decommissioning, and there is a lot of work to be done, but I want to include the MOD more in everything we do. It is quite time enough, and the hon. Gentleman made a very good point, supported by some of my hon. Friends. Because the MOD is a member of the Nuclear Industry Council, it is time that that artificial distinction came to an end, and I will do my absolute best to bring that about.

My hon. Friend the Member for Carlisle and other speakers brought up points about the RAB system of funding, at which we are looking closely. There is a lot of work going on about that. Obviously, I cannot make an announcement on it because we have not yet reached that stage, but it is an innovative form of funding. It gives certainty; it has worked for the Thames tideway and is being looked at for other schemes, and I hope to report back on developments there.

The main point of the whole sector deal that I can see, which is one of the first things that I really got involved in when I took on this portfolio and which I am impressed by, is the contributions from industry and how many different companies are involved. It is not just the usual suspects, or two or three people; it is very comprehensive.

On decommissioning, I have been asked by several hon. Members, including my hon. Friend the Member for Copeland, about the role of the Nuclear Decommissioning Authority as time goes on and moving it from decommissioning to development. Its interest now is in decommissioning; it is the decommissioning authority, and we know that that is overwhelmingly its most significant purpose. However, on a visit to Sellafield, where I met and was impressed by their management, I was told that they already do about £100 million worth of export services. We are well respected throughout the world, and I think it will develop exactly in the way that my hon. Friend suggested, towards a development agency. Part of the sector deal is to transform decommissioning from where it is now, which certainly on the face of it is just a burden to the taxpayer, to an industry that employs a lot of people and supports a lot of products for this country and will be the foremost of its nature in the world. The set-up is now there to achieve that.

I will finish my comments now, Mr Owen, because you have asked me to leave time for my hon. Friend to make a few winding-up comments. I thank everybody;

I am sorry I have not had time to go into more detail on some points, but I am always available to talk about them with any hon. Member here.

10.56 am

**Trudy Harrison:** I thank the Minister for his comments, which were both reassuring and helpful for all of us who speak positively about the nuclear industry. I will come on to the comments by my SNP colleagues, because I welcome them and the challenge of the hon. Members for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) and for Kilmarnock and Loudoun (Alan Brown). There was quite a lot that I agreed with. I agree that we need to bring down the cost of new nuclear and also that we need to ensure that the decommissioning skills do not just take from the taxpayer but generate more. We can do that through exporting those skills, as I said in my comments.

I also agree that this is part of an energy mix. In my constituency, we have skilled engineers with transferable skills now working in the renewables sector in their spare time, because in a place such as Cumbria or, indeed, Scotland we should not face fuel poverty; we should transform it to fuel prosperity. I want to see more local communities use natural resources, whether that be wave and hydro power, biomass and anaerobic digestion, geothermal or solar. I want to see those technologies harnessed in our local communities.

However, I will just draw attention to one point: last Saturday, wind energy generated just 3.4% of the energy power requirement. I am sure we all remember that last Saturday was a critical day. If the TVs had gone off last Saturday it would have meant catastrophe for England—perhaps not so important for Scotland, but I would like to think there was support there.

I thank hon. Members for their contributions. I have found the debate helpful and I feel there is much more scope for us to work cross-party for the benefit of nuclear civil and nuclear defence, right through from research and development, SMR, advanced modular reactors, large-scale reactors and operations to decommissioning and export, to ensure that we have the skills for the future, to galvanise the nuclear industry and to secure our place once again as global leaders.

*Question put and agreed to.*

*Resolved,*

That this House has considered the nuclear sector deal.

## ESA: People with Motor Neurone Disease

10.59 am

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op): I beg to move,

That this House has considered employment support allowance for people with motor neurone disease.

It is a great pleasure to serve under your chairmanship, Mr Owen. I begin by congratulating the Minister on his return to the Department this week. I look forward to his response to my speech. I also thank the campaigners who have pressed the Government so hard to scrap all employment and support allowance reassessments for people living with motor neurone disease. They have been in Westminster on several occasions over the past six months. I first met them in February, outside the House in Parliament square, after they had braved the beast from the east and were covered head-to-toe in snow.

I particularly thank Sandra Smith, who is in the Gallery. She is a tireless voice for people with MND and has campaigned hard on the important issue of access to benefits. I also pay tribute to the Motor Neurone Disease Association, which does a fantastic job of standing up for, and giving support to, people living with MND, their families and loved ones.

Today I remember my very good friend, Marge Carey. It was Marge who first encouraged me to get involved with the Merseyside branch of the MNDA, and I am proud to be patron of that branch. I am incredibly grateful to the branch's committee and volunteers, who do so much to support people with MND and their families.

**Nick Thomas-Symonds** (Torfaen) (Lab): I congratulate my hon. Friend on securing the debate. I join him in thanking the campaigners, because the employment and support allowance application and reassessment systems just are not suitable for people with motor neurone disease. Will he join me in congratulating those who campaign locally? Torfaen lost its former mayor, Doug Davies, to MND. His son Giles, also a councillor, has been doing great work with the local MNDA branch. That local campaigning complements national campaigning. Does he agree that it is important?

**Stephen Twigg**: I absolutely concur and echo what my hon. Friend says. Local campaigning efforts—as well as the local support, fundraising and opportunities to meet—are what the MNDA and MND campaigns do so well. That local voice is absolutely crucial.

Motor neurone disease is the umbrella term for several neurodegenerative disorders that selectively affect motor neurones. Motor neurones are the voluntary muscles that control processes such as walking, talking and breathing. Eventually, the muscles become so weak that the patient loses even the most basic of motor functions, such as the ability to walk, eat or breathe unaided.

Unfortunately, little is known about what causes MND. We know that it affects about one in 100,000 people, and we know that, in about 90% of cases, the cause is completely unknown. There is also no known cure. The average life expectancy following diagnosis is between two and four years, although we know that around one in 10 go on to live for 10 years or more. Most patients eventually pass away as a result of respiratory failure.

In 2016, the ice bucket challenge became a viral sensation, with many celebrities, sports stars and even politicians throwing ice-cold water over themselves to raise awareness of MND. It was a global campaign and raised in excess of \$100 million for support and research into the causes of, and potential cures for, MND. It was so successful that the additional funding helped scientists at the Massachusetts Institute of Technology in the United States to uncover a new gene that they believe may well be the cause of MND. Although we are still far from a cure, we are—hopefully—getting closer.

**Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): The hon. Gentleman is making a powerful and important speech. He mentions that MND is a terminal disease. Scotland has replaced the arbitrary definition of “terminally ill” as being likely to die within six months with the clinical judgment of a medical practitioner that someone has a terminal illness. Does he agree that that is a far more sensible way to proceed, and will give dignity to people with MND?

**Stephen Twigg**: I was not aware of that change in Scotland, which sounds an excellent way of addressing the issues I will come on to. I will also set out suggestions from the MNDA regarding Department for Work and Pensions policy.

**Rachael Maskell** (York Central) (Lab/Co-op): My hon. Friend is making an excellent speech. I was a physiotherapist working in neurology, so I have a good understanding of motor neurone disease. It is crucial that individuals are able to live their lives to the full in the time that they have, as opposed to facing the barriers put in place by the benefits system. Does he agree that welfare should be support, rather than a battle all the way, as it currently is?

**Stephen Twigg**: My hon. Friend hits the nail on the head. It is about supporting people and their families through what are, by definition, the toughest times of their lives, and about ensuring that there are no unnecessary barriers to their living the most fulfilling life they can.

I will briefly set out the basis of ESA, which will enable me to make my argument about reassessment. ESA is a benefit for adults with long-term disabilities or medical conditions that affect their ability to work. It is conditional, so some claimants have to take part in work-related assessments to claim their benefits; and it has two tiers—the work-related activity group and the support group. The work-related activity group is for those claimants whom the Department considers capable of working again at some point in the future. People in that group typically receive less financial support than those in the support group and are expected to undertake regular work-related activities with an adviser. Roughly half a dozen people with MND are in that tier.

The second tier is the support group, which is for those whom the DWP considers to have a limited capacity to work. It includes people who have almost no prospect of working again in the future because of their disability. These claimants tend to receive a higher level of support and do not need to undertake the same work-related activities to guarantee their benefits. It is estimated that approximately 600 people with MND fall into that tier.



When applying for ESA, claimants must undergo a work capability assessment, which is used to determine which tier claimants are streamed into. Reassessments are common, to ensure that people are correctly tiered. The maximum amount of time between reassessments is two years.

**Scott Mann** (North Cornwall) (Con): A concern of my constituents is the challenges of the benefits system for people with this illness, and how that snowballs and affects their lives. Most people receive the correct financial support after their assessment. However, there are people with this long-term condition, which will not improve. Does the hon. Gentleman agree that, once somebody with MND has been assessed, they should not be continually reassessed to see whether their condition will improve in the future?

**Stephen Twigg**: I agree entirely. In fact, he anticipates what I am about to say. It is excellent that the debate has cross-party support from Back-Bench Members, so I am grateful for that intervention. Reassessments are my point of grievance with the Government.

Last September, the Department announced that new claimants with the most severe disabilities who apply for ESA will be exempt from reassessment. That is because, as the hon. Gentleman just said, many people with the most severe disabilities have little to no chance of their condition improving. The announcement was, of course, hugely welcome. However, the exemption applies to new claimants, not to those people with long-term conditions who were already in the support group before September 2017.

People with MND—of course, this also applies to other conditions, but today's focus is on motor neurone disease—who were already in the support group last September are required to undergo a final assessment in order to be exempt. The Government have provided assurances that the final assessment for people with MND will be mostly paper-based, but that is not guaranteed, and the paper-based system is itself not straightforward. It requires filling out a complicated 26-page form. Having to complete such a form is surely an unnecessary further stress for people living with MND. Complications or issues with the paper assessment could mean that claimants are required to attend another face-to-face assessment.

If a claimant has received a confirmed diagnosis of MND or another permanent condition that holds no prospect of recovery and they are already in the support group, there is surely no point in subjecting them to a final assessment. The nature of the claimant's condition means that another assessment is redundant. It not only causes the claimant further stress and anxiety, but wastes public money on a needless reassessment. People with MND who are in the support group will already have undergone at least one assessment of their ability to work. Given the progressively debilitating nature of MND, their symptoms will almost certainly have got worse since that assessment.

In February, representatives of the Motor Neurone Disease Association met the Minister for Disabled People, Health and Work at the Department to discuss this specific issue. They took with them an open letter, signed by more than 8,000 people, which called on the Government to end mandatory reassessments for claimants

with MND. My understanding is that the Minister committed to finding a solution that would exempt people with MND from reassessments, but she said that that would not happen until a review of the Government's entire exemption policy had taken place. The Minister sent a letter to the MNDA following that meeting. It is welcome that the Minister has discussed a possible solution to this matter with her officials. However, the lack of reference to an imminent solution for those already in the support group is worrying and is causing further anxiety.

**Christine Jardine** (Edinburgh West) (LD): Does the hon. Gentleman agree that the reassessment issue underlines the fact that, despite the improved understanding and awareness of motor neurone disease as a condition, there seems to be a lack of understanding in the DWP, not just of motor neurone disease, but of declining, terminal conditions generally, and that perhaps a better approach is required across the board?

**Stephen Twigg**: I agree entirely. The hon. Lady is absolutely right to say that what we are discussing affects not only motor neurone disease, but a number of other conditions. I will not take any further interventions, because I want to leave the Minister enough time to respond in this short debate.

The Government have yet to give a timeframe for a review of exemptions to take place. Until that review is complete, people with MND still risk being called for an unnecessary and wasteful reassessment at any point. Even worse, should the claimant be unable to complete the reassessment, their benefits could be taken away from them. That would be cruel and totally unacceptable.

My understanding—we will hear the Minister's response in a moment—is that the system that the Department uses for ESA claimants is not able to differentiate between different diagnoses, so it is not possible for the Department to filter all the people in the support group who have MND or similar conditions in order to grant them an exemption from further assessment. Can the Minister shed some light on why the system has been set up in that way, and what changes the Department could make to prevent such issues from occurring again? I do not think that it would be unreasonable for the Department to apply an automatic exemption to all those claimants currently in the support group who have a certified MND diagnosis; and that should not require an additional face-to-face assessment, as there is no prospect of people with MND getting better.

Last month, the Department changed the personal independence payment system so that those with severe degenerative diseases will no longer have to undergo regular tests to prove that they remain eligible for PIP. That exemption includes people with MND as well as other conditions, such as Parkinson's and multiple sclerosis. In practice, that means that people whose condition is lifelong and degenerative can be awarded the highest PIP amount, with only a light-touch reassessment once a decade.

I would like the Government to adopt a similar mechanism whereby people with MND can avoid an unnecessary further assessment for their ESA. The Motor Neurone Disease Association has suggested a system in which claimants with MND can send a doctor's note to the Department to prove their condition. The Department

[*Stephen Twigg*]

could then use that information to move the claimant to a long-term award within the support group, which would protect them from the need for any further reassessment. The Government have cited legal and operational issues that apparently prevent that seemingly straightforward and humane system from becoming the norm. The DWP has accepted that the work capability assessment is a demanding experience, especially for those with long-term or degenerative conditions, yet it still argues that it is the best method of assessing the suitability to work of those with life-limiting conditions.

As I said, the Government have already changed their policy on new employment and support allowance claimants and their policy with regard to personal independence payment. Today's debate provides an opportunity for the Minister, who is back in the Department, to say that it will make a similar change for this crucial group of existing ESA recipients. People living with motor neurone disease face many challenges in their lives. Removing the threat of an ESA reassessment would make a real difference to the lives of hundreds of people and their families. I urge the Minister to look again at this issue, and to do so as a matter of urgency.

**Albert Owen (in the Chair):** In calling the Minister to respond to the debate, I welcome him to his place.

11.17 am

**The Parliamentary Under-Secretary of State for Work and Pensions (Justin Tomlinson):** Thank you, Mr Owen. It is a pleasure to serve under your chairmanship, although this has perhaps not quite been the week I was expecting.

I pay tribute to the hon. Member for Liverpool, West Derby (*Stephen Twigg*), who has been a tireless campaigner on this issue both in his constituency, where he has the honour of being the patron of the local branch of the MND Association, and in his work through the APPG. Over the years, he has been a really strong advocate in an area in which there is a lot of cross-party support for improvement. As a Government, we are very much listening, but I will come on to those points.

I also welcome the members of the audience, whom I briefly met outside the Chamber and who have been supporting this work and showcasing the real difference that is needed right across the system. In particular, I pay tribute to Sandra Smith, who has supported the work of the hon. Gentleman. My hon. Friend the Minister for Disabled People, Health and Work is currently undergoing a grilling by the Select Committee on Work and Pensions. I was meant to be part of that Select Committee and asking questions, so we have done a bit of a swap-over. I spoke to her at length last night, and she is incredibly passionate about this work. She is meeting the APPG next Thursday, with representatives of the national association. I hope that the hon. Gentleman will be able to join that meeting.

Nationally, the MNDA is one of the most proactive and constructive organisations for engaging with MPs of all backgrounds and across the parties and working with the Government. At the heart of many of the improvements delivered since 2010 has been the MNDA, using the real-life experiences of its members to make a

real difference. There are 90 volunteer branches across the country and 3,000 volunteers. We can all lobby today, and I would like to lobby the MNDA to recognise how fantastic Heather Smith of the Swindon and Wiltshire branch is. She regularly comes to different events in my office, and I think that she should be part of the association's head office. There we go—even a Minister can lobby.

I want to acknowledge the seriousness of motor neurone disease. While it is thankfully uncommon, it is disabling and distressing. The outlook for those diagnosed is poor, with life-expectancy significantly reduced for the vast majority. Those who are diagnosed with the condition will inevitably need significant medical support as their health deteriorates, with mobility, breathing and eating becoming progressively more difficult.

Crucially—I have seen this in the meetings I have had—we cannot underestimate the emotional and physical impact that motor neurone disease has on the families and friends of those who live with this condition, and who provide care and support 24/7 to their loved ones. They deserve our thanks and appreciation. I know, having met those carers, just how hard that is. That is one of the reasons that there is universal support for this across the House. We all know that this is something we have to take very seriously.

Since 2010, we have been listening and working constructively together across parties. We have made a number of improvements. In October 2016, it was announced that we would stop requiring people with the most severe life-long conditions to be repeatedly assessed for ESA and UC. We all welcomed that; it was a common-sense announcement. We have been working with external stakeholders and healthcare professionals to devise a new set of criteria, to switch off the reassessments for people with the most severe health conditions or disabilities. Those criteria were introduced on 29 September 2017. The MNDA was and will continue to be part of that process. The hon. Gentleman welcomed that in his speech.

That means that for those placed in the ESA support group and the UC equivalent who have the most severe and life-long health conditions or disabilities, whose level of function will always mean that they will have limited capability for work and work-related activity, and who are unlikely to ever be able to move into work, there will no longer be a routine reassessment. That is absolutely key.

We fully appreciate that some people find the work capability assessment a disruptive experience, so we have designed new guidance for healthcare professionals to ensure that the process of initially claiming or going through a reassessment is as unobtrusive as it can be. We ask claimants to complete an ESA50 or UC50 health questionnaire and provide supporting evidence. Where appropriate, we ask their GP or specialist healthcare professional for further supporting evidence. That means that in the vast majority of cases, where the severe conditions criteria would apply, we expect to be able to make a decision on the written evidence alone, without the need to undertake a face-to-face assessment, thereby reducing pressure on the individual.

We will help gather that evidence. We understand that people will be negotiating challenges at home. We will make contact with GPs and health professionals to help gather that. There has been additional training and the

guidance has been rewritten. As I said, the MNDA has been involved in shaping this. The Minister is meeting it again next Thursday in order to continue to look, learn and listen.

One specific question was why not make things condition-specific. I understand that question and I have raised it myself, but not everybody fits neatly into a box with one condition only. The way health deteriorates can be different from one person to the next. Many people can have multiple conditions. That makes it very complicated. We learnt from legacy benefits that, while initially attractive—I absolutely get it—a one-size-fits-all approach too often means that people cannot access the highest rate when they are initially assessed, because it could be early in that journey of deterioration. The reassessments are often triggered automatically, to ensure they are upgraded to the highest level. We want the people who need the support to get the support. They should not be denied that. On the old legacy benefits, people were left on the lower parts, because they had too many challenges in their own lives to put it in their calendar and say, “I must go and do that.” When we get to that point, we have to make it as light touch and common sense as possible. That is why, if we can get the evidence from the GP and healthcare professional, it can be light touch, to ensure that they access the highest rate of benefit to support them as quickly as possible.

**Stephen Twigg:** I am listening carefully to the Minister. On condition-specific assessment, surely that is what the Government have done—I welcomed it—for those who are newly assessed for ESA. If it can be done for those who are newly assessed, why can it not be done for those who need a reassessment?

**Justin Tomlinson:** For those in the system, we already have all the evidence we need. We can, therefore, conduct the light-touch assessment internally. For those people on the legacy, however, that would not necessarily have been the case. That is why we would then need to get the final piece of the jigsaw, in terms of the GP and healthcare professional. The expectation is that this should be done through the written evidence provided. As I said, we will help gather that evidence, but we must ensure that everybody—whether they have MND or any other condition—who should be getting the maximum amount of support can do so as quickly as possible.

**Stephen Twigg:** The Minister said “expectation”. I encourage the Department to go beyond expectation and make that the policy, as the Motor Neurone Disease Association is saying: if there is a letter from the doctor, that is enough and there is no need for further reassessment.

**Justin Tomlinson:** That is the absolute expectation. In next week’s meeting we will look at how this is working in practice, whether there are things we need to listen to and go further on, particularly in the training, with the health professionals and assessors in there, but as we have demonstrated since 2010, there have been significant changes. Since 2010, over 100 recommendations have been made, following the independent reviews published by Professor Malcolm Harrington and Dr Paul Litchfield. That is making the assessment process more robust, reliable and sympathetic—actually understanding the

multiple challenges people face. One of the most important improvements has been the speed increase, to ensure that we can get people on to the maximum support at the earliest opportunity, rather than leaving people under the old legacy system, not on the highest level of support, which they should be entitled to, recognising that people have enough challenges at home, so we need a more responsive system.

It is important to reiterate that the current assessment process provides a fast-track service for new claims for anyone with a terminal illness who has less than six months to live. Anyone with motor neurone disease who meets that criterion would be guaranteed entitlement to benefit, with claims dealt with sensitively, without a face-to-face assessment and under a fast-track process.

**Liz McInnes (Heywood and Middleton) (Lab):** I attended the all-party parliamentary group on motor neurone disease this week. There was a doctor there who treats MND patients. He said that it was impossible to put a time limit on how long a person with MND had to live, so the six-month limit makes no sense medically whatsoever.

**Justin Tomlinson:** This is guided by medical evidence. There is continuing work looking to review this. Health professionals and medical experts helped to shape the definition. I accept that it can be difficult. That is why we continue to work with the MNDA and all the organisations who represent their members, to look at what works. Six months is traditionally what is seen. At that point, when a GP says that they believe—it is not an exact science—that that is the point, the assessment will be fast-tracked within 48 hours.

We recognise that there is more to do. We are committed to assessing people with health conditions and disabilities fairly and accurately, while taking a personalised approach, because not everybody fits neatly into a box. We consulted on the work capability assessment reform in the Green Paper published in October 2016. Although there was widespread support for reform, there was not clear consensus from the stakeholders on how it should work. That comes to the point the hon. Member for Heywood and Middleton (Liz McInnes) just made.

To ensure we get the reform right, we are currently focusing on testing new approaches to build our evidence base. We are also working with external stakeholders to give them the opportunity to inform changes and provide their priorities for future reform. That is exactly why MNDA is encouraged—it is very good at this—to work constructively and proactively with the Government as a whole, and specifically with the Minister, who is passionate about this.

In conclusion, I thank the hon. Member for Liverpool, West Derby for raising such an important topic. I thank the cross-party MPs for their support. They have taken the time to highlight their own experiences on behalf of their constituents. We recognise that this is incredibly important. It is shaping the work the Government do. As a newly-returned Minister to the DWP, I look forward to supporting future improvements.

*Question put and agreed to.*

11.29 am

*Sitting suspended.*



## Listed Sporting Events

[MRS MADELEINE MOON *in the Chair*]

4 pm

*Sitting suspended for a Division in the House.*

4.13 pm

**John Grogan** (Keighley) (Lab): I beg to move,  
That this House has considered listed sporting events.

We are less than three hours away from the big match live and free on ITV: England versus Croatia. The nation's favourite commercial channel, BAFTA-winning for its sport production, is said to expect up to 30 million people to watch that match tonight. Some superstitious English fans would say that England rarely win on ITV—the statistics over the last 20 years show that they have more often won on the BBC. However, I am glad to say that this jinx was broken just a few days ago when England beat Colombia live and free on ITV, so we are safe under the gaze of Mark Pougatch, who will introduce the programme today, but I think it will go to penalties.

I can remember 1966, although you are far too young, Mrs Moon. We watched it at home. My dad had just got his first job as a headteacher at a primary school and we had moved into a new semi-detached house. I was five, and my grandma and my mum were there. My mum was not a football fan. Both my parents are long since dead, but my mum must have done a deal with my dad, because she wanted to go to the plant shop up the road to get plants for the new house. The match kicked off at 3 o'clock in those days; my dad must have said that at 10 to 5 they would go to the plant shop. But he had not reckoned on extra time, so he had to go. One of my earliest memories at five is insisting that I stayed with grandma to watch that match live and free. I remember my dad came back half an hour later, just in time for that most iconic British sports commentary, when Kenneth Wolstenholme said:

“There are people on the pitch. They think it's all over”—

and then the fourth goal went in and he said the iconic line, “It is now.”

Since that match in 1966, many things have changed about the way that people consume football. Last night, I was at the all-party parliamentary beer group. Next to me were two Ministers of the Crown, who I will not name. I had my mobile phone with me and we watched the last five minutes of the other semi-final behind the menu, which I believe you watched in Brussels, Mrs Moon. We did what many people do these days: consume the match on a whole variety of devices. Up to 5 million people watched the last England match on the BBC through those devices.

Many things have changed, but audience sizes have not. It is not just for the England games, but the other games that have been on the BBC: Portugal versus Spain—that tremendous free kick from Ronaldo, watched by 10.4 million people; Argentina versus Nigeria, watched by 9.9 million; Germany versus Mexico, watched by 9.5 million. We enjoy a great world festival in this country.

At times, politicians have considered whether the whole World cup should be so listed, but it is great that we list it all. It means that every little bar and restaurant

in the country can show the games live and free. I watched one of the games in Tommi's Burger Joint in Marylebone, which gave a free beer every time Iceland scored—they did not score many goals in that match. In my constituency, Cougar Park will hold a mass showing for free tonight. There are many venues up and down the country; I will mention one other—Cantinho do Aziz, just near Leeds station, which is a Portuguese café, had been following not just the Portuguese games but all the games.

The tournament is a big boost to our hospitality industry and it is not an accident. It happens because we have the listed events law, which goes back to the 1950s and was updated in the 1990s, not without controversy. The late Lord Howell was particularly active from the Opposition Back Benches in those days, ensuring that the law in the 1990s was rigorous. We made that decision as a nation, but my fear is that if the World cup had been in our country—there was a World cup bid in 2018 under the last Labour Government—not all the matches would have been live and free on free-to-air channels.

The Government at the time were under tremendous pressure from FIFA, as has been documented. They made a promise to FIFA that they would basically get rid of that law if we got the World cup. Perhaps the England matches would still be live and free, and perhaps the final, but most of the matches would have gone to the highest bidder. We would have lost something. FIFA and UEFA do not like that law; they have spent hundreds of thousands of pounds on expensive lawyers to try to get it struck down in our courts, without success. I hope that if the four home nations of Wales, Scotland, Northern Ireland and England think about a bid for the World cup in 2030, the Government and the football bodies will make it clear from the outset that we do not intend to change the law in order to sweeten the pill. FIFA has reformed considerably since 2010; a signal of that reform will be that it respects the laws of countries that aspire to hold the World cup in future and does not put pressure on us to change that law.

That was the first of four points that I want to make. My second point is about which sports should be protected by being listed. That is looked at from time to time. We no longer protect the university boat race in the relevant legislation, for example. There were two reviews under the last Labour Government—the first in the 1990s and the second towards the end of that Government. Let me take a look at a couple of sports that were affected by those reviews.

Cricket is perhaps my favourite sport—Yorkshire cricket in particular. In fact, I forgot to mention that no fewer than seven members of the England football squad at the World cup are from God's own county. One of the great attractions of the England team is that they represent the whole of England, which comes out in their interviews—but back to cricket. In the late 1990s, the Labour Government decided to take live coverage of test matches off the list. Lord MacLaurin, who then chaired the England and Wales Cricket Board, said, “We'll always keep some live cricket on free-to-air TV.” Sports fans of any kind will remember the glorious summer of 2005, when England played Australia for the Ashes. About 9 million people watched the final test match at the Oval, where England reclaimed the Ashes. That was the last free live cricket of any substance on our television screens.

It is interesting to look at the figures published by Sport England, which tracked participation in a whole range of sports from 2005 to 2016, when it changed its methodology slightly. There was a spike in participation in cricket immediately after 2005, amid the great enthusiasm for the sport after the Ashes series was shown on Channel 4, but those numbers quickly fell away. Cricket clubs around the country tell us that it is now much harder to muster a team. According to Sport England's figures, participation decreased by about a third over that decade. Contrast that with the 50% increase in participation in athletics, which is much more commonly available.

Towards the end of the Labour Government, the Davies review suggested putting test cricket back on the list. At the time, a gentleman called Philip French worked as a special adviser to the Labour Secretary of State. The ECB, in its wisdom, lobbied heavily against that proposal, the coalition Government came in, Philip French moved over to work for the ECB and the proposal was never implemented.

However, the ECB's thinking has changed in the intervening years. I know from talking to ECB officials that what brought it home to them that they had a problem—it brought it home to me, too—was a poll of schoolchildren, who were given a picture of Joe Root, the England cricket captain and perhaps the finest living Yorkshireman, and a picture of a wrestler from the United States. Far more of the children recognised the wrestler than recognised Joe Root. I think at that point the cricket authorities recognised they had a problem. They do not support the re-listing of test cricket, but they have done a deal with the BBC, which means that some cricket—a new Twenty20 tournament, plus highlights of tournaments such as the world cup and test matches—will come back to the BBC. I hope the BBC is able to do for cricket what it did for the FA cup: revive it and really promote it.

Golf is another sport that suffered from coming off free-to-air TV. The only live golf on British free-to-air TV is the final two rounds of the Masters from the United States. The Open championship is now hidden away on subscription TV, and viewing figures have plummeted. Many top golfers warned the governing bodies, including the Royal and Ancient, which struggled for many years to admit women to some of its courses and is not necessarily the most progressive governing body, about that. Justin Rose, who won the Olympics golf tournament, said:

“I think having golf coverage on free channels is important to the growth of the game...You can see it through the massive support Andy Murray receives and that's largely because Wimbledon is still on the Beeb. It resonates because everyone watches it.”

As I said, golf is suffering and fewer people are participating in it.

This is the fifth debate I have called about this subject in my chequered parliamentary career, which has been a bit on-off. Estelle Morris, a good friend of mine who is now in the Lords, was the Minister who replied to one of those debates. She said:

“Looking back, it is amazing how little the sports and events that one would assume to be the most popular have changed. My hon. Friend”—

that was me—

“mentioned the most popular sports and they are, in the main, the same ones that”

have

“bound the nation together”

for years. She continued:

“We must always bear in mind, however, the potential for changing views in sport.”—[*Official Report*, 31 January 2005; Vol. 430, c. 692.]

I suggest that the biggest change in the past 10 years is in women's participation in sport—not just by watching it but by taking part. I think most Members would welcome that.

The big sporting world cups—those in cricket, rugby and football—are important to that. At the moment, some of those are on free-to-air TV. I think 3 million people watched the women's world cup on ITV. The next world cup tournament, for which the Prime Minister says she will proudly put the flag of St George up at Downing Street every bit as much as it has been this week, will be live on the BBC. But those events are not protected at all, and I worry that as they become more popular, they will become more attractive to pay-per-view channels and we may lose them. That is the best argument for the list to be reviewed and for sports to be added to it.

My third point is about which channels qualify for showing listed events. The Government have moved on that issue, which is very technical. Basically, to qualify to show a listed event, a channel has to have 95% coverage across the nation. However, as more people do as I did last night and watch action on a phone, fewer people may have televisions. We may get to the stage where no channels qualify because less than 95% of people have televisions in their houses.

At the urging of free-to-air channels, the Government put a section in the Digital Economy Act 2017 that gives Ministers the power, should that criterion ever look dodgy, to look at other criteria. Those may include a channel's reach—some people suggested 90% reach would be a good criterion—through whatever device. I am not expecting an announcement today, but I hope that the Government keep that under careful review in the years ahead. It would be a great pity if we lost the benefit of that law for technical reasons.

My fourth and final point is about the four-yearly listed event that the most people are aware of, perhaps alongside the World cup—the summer Olympic games. The Olympics have always been on free-to-air TV. In fact, they are listed in their entirety. Some events, such as the FA cup final and the Wimbledon men's and women's finals, are listed in part, but the Olympics, like the World cup, are listed in their entirety. This point is a bit complex, but the BBC has the rights to the 2020 Olympic games. The International Olympic Committee, in a break from practice, sold the 2024 rights across Europe to the Discovery channel. The BBC did a deal—I do not blame it for that—that will result in a sort of swap. It said, “As long as we can show 200 hours on two streams of the 2024 games, we will do the same in 2020 and you, Discovery-Eurosport, can show the rest of the sports.”

That is probably a matter for Ofcom, which will eventually rule on these issues, but Ofcom has indicated to me that there may be very different situations in 2020 and 2024. The BBC won the rights for 2020 and gifted some of them, through a commercial arrangement, to Discovery. That may be passable by Ofcom. However,

[John Grogan]

there was no opportunity for a free-to-air channel to bid for the 2024 rights. Discovery might have interesting conversations with Ofcom about that, and I do not think it is a foregone conclusion that Ofcom will approve it.

Why does that matter? In the past three Olympic games, British television viewers and those viewing on other devices have become used to seeing all the sports—any sport they want to watch—on the red button. It has been good for minority sports. I think there will be a backlash against that change, come the next summer Olympics.

This is not the most important issue in the world—many more important things are happening—but sport brings a lot of pleasure to many people. Rich and poor, young and old, sports-lovers and non sports-lovers have all been able to enjoy not just the England matches but the whole carnival that is the World cup. I, for one, hope that may continue long into the future.

4.30 pm

**The Minister for Digital and the Creative Industries (Margot James):** It is a pleasure to serve under your chairmanship, Mrs Moon. I congratulate the hon. Member for Keighley (John Grogan) on securing the debate and his incredible expertise on the subject. I listened to his speech with great interest. It is a pleasure to talk about this subject on such a day, following England's incredible win at the weekend, and we will all want to wish the team a lot of luck for tonight.

Sport is one of the few things that has the power to bring the nation together. When the biggest sporting events are on, everything stops and the anticipation builds. For really big events like the one tonight, everyone will be talking about it the next day. Last week, 23.8 million people watched England's game against Colombia, and 20 million people watched England's game against Sweden. That is even more than watched the royal wedding, and of course that does not include the many who congregate around a particular viewing point.

It is not just by chance that so many people were able to tune in and see those World cup games. The efforts of past Governments, which the hon. Gentleman took us through, have ensured that key sporting events of national importance are available for all to watch on free-to-air television.

The listed events regime, one of the foundations of our broadcasting system in the UK, sets out to have the best interests of viewers at its heart. Since its creation, it has ensured that everyone can share in major British sporting triumphs. Ten million people saw Kelly Holmes win her historic gold medal in Athens, and 15 million saw Jonny Wilkinson win us the rugby world cup in 2003—I still remember that. Nobody can forget the incredible few weeks that were London 2012. Listed events, and in turn our public service broadcasters, are fundamental to broadcasting in the UK, especially as viewing habits and the media landscape change. Of course, more people—more than 80% of the UK population—are watching online than ever before, and we are increasingly watching television on our phones

and laptops at different times of the day. A record number of people streamed the England-Sweden game on BBC iPlayer, and nearly 4 million people watched it solely online.

In a world where people can subscribe to Netflix, Amazon and Sky or Virgin at the same time, it is more important than ever that free-to-air public service broadcasters can make an attractive offer to viewers. There is so much choice that it can be hard to know what to subscribe to and what to dispense with. However, the pull of public service broadcasters is still powerful, with 85% of people watching one of those channels every week. Together, they command a 55% share of all television viewing, independent of sport.

Our public service broadcasters spent £515 million on sport last year,<sup>1</sup> delivering just over 3,000 hours of content; only factual programmes have more money invested in them. They contribute a huge amount to grassroots sport, with more than half a billion pounds flowing from broadcasters to national governing bodies, which helps sports to increase their grassroots appeal and gives children the opportunity to try new sports when otherwise they might not have been able to do so.

Understandably, our broadcasters can spend only so much money on buying rights to different sporting events. I very much agree with the hon. Gentleman's sentiments on golf. My personal opinion is that the British Open is much missed from the BBC, which sadly was not able to acquire the rights. However, if other genres started to suffer because of the amount spent on sport, that would not be fair to those who are not big sports fans. It is a difficult balancing act.

Furthermore, some sporting bodies may believe that they can drive a higher price for their rights by working with pay-TV providers or even internet companies such as Amazon. There is the opportunity for sports not on the list to forge their own path. It is ultimately for the national sporting bodies to decide whether they want to try to maximise their returns or strike a balance with a potentially bigger audience. That was at the root of the cricket issue, on which the hon. Gentleman made a number of good points.

The Government's position is to not reopen the list of events, which we believe to be working and delivering the best outcomes for the viewing public. However, the hon. Gentleman is right that the Digital Economy Act 2017 enables us to change the criteria that underpin the list. He might wish to give that further consideration.

It is desirable for sports to try their best to maximise their audience and their income. I encourage sporting bodies to do their best to adhere to the voluntary broadcast principles of the Sport and Recreation Alliance, which include trying to ensure that at least highlights are shown on free-to-air television so that, for example, we can still watch golf highlights in that way.

It would be ideal to see all major sporting events on free-to-air television, but to date that has not been possible. We have to strike the right balance, so we keep the list under review. I thank the hon. Gentleman for giving me the chance to acquaint myself with more of the detail of this important matter.

*Question put and agreed to.*

1. [Official Report, 11 October 2018, Vol. 647, c. 3MC.]



## Increasing Choice for Rail Passengers

4.37 pm

**Mrs Madeleine Moon (in the Chair):** Because of the Division, this debate will last until 5.43 pm.

**John Penrose (Weston-super-Mare) (Con):** I beg to move,

That this House has considered increasing choice for rail passengers.

It is a pleasure to have you in charge of our proceedings, Mrs Moon. It seems that almost no one is terribly happy with how our railways are performing at the moment. Not passengers, who have to suffer delayed or cancelled trains when timetables go into meltdown, as they have done repeatedly recently, causing misery for millions. Not the unions, who have been in an on-off dispute on a variety of routes for months. Not the staff, who have to cope with angry passengers every day. Not the rail firms, who have repeatedly handed back expensive franchises to the Government because they cannot make them work, and not rail Ministers, who face continuous incoming flak, from urgent questions in Parliament to critical headlines and irate passengers who lose thousands of man-and-woman hours battling to get to and from work every day.

That is odd, because until recently Britain's railways were quite a success story; something to be proud of. Since denationalisation, passenger rail journeys have more than doubled, and we have one of the safest railways for passengers of any major network in the EU. What has gone wrong? Why is everybody on all sides unhappy with where we are today? I argue it is because franchising has run its course. It might have worked in the past, but not any more—at least, not well enough. It has become a brittle, inflexible, fiendishly complicated, expensive old thing that causes misery and frustration for millions and which nobody loves.

The root of the problem is that franchises put train firms, rather than passengers, first, because passengers do not have any real choices when things go wrong. Why should we be at the mercy of a single train company when the timetable melts down? If a train is delayed or cancelled, we ought to be able to switch to a different firm's service that is still running instead; franchising takes away that choice. If we do not like the service the franchise-holding firm provides—tough. Our only choices are to get in the car, which could mean traffic jams and is not very green, get on a bus, which is usually slow, or just lump it and get back on the train.

It is weird, really. We would not put up with being banned from changing to a different brand of coffee, cornflakes or broadband. We expect to be able to choose between a dizzying array of different car insurers or energy firms. But trains? No.

**Stephen Hammond (Wimbledon) (Con):** Although I agree with my hon. Friend that franchising has severe problems and has run its course, does he agree that one of the central problems is Network Rail and its inability efficiently to allocate track access, and the money it gets for investment and upgrading, to the franchises, as it would do if there was more open access on the system?

**John Penrose:** I completely agree; Network Rail has all the wrong incentives. I plan to lay out how we might be able to improve them in future. If it had the right incentives to find and to build more capacity, it would be better for Network Rail, the travelling public and rail firms.

If franchising is bust, I will come on to what I think is an alternative in a second. Before I do so, at the risk of perhaps annoying some of my friends in the Labour party, I must pause to say that I am afraid I do not think renationalisation is a valid option as an alternative at the moment. That is not because of the staff, the ownership models or anything like that; it is because politicians, people such as us in this room, no matter whether we are from the political left or right, are generally useless managers of a complicated operation such as a rail system. We take short-term decisions based on elections rather than proper investment cycles, we meddle in details we know little about and we frequently cave in to the vested interests of management or staff at the expense of customers. Anyone who remembers the bad old days of British Rail will know it was a disaster: an uncomfortable, unreliable service with few passengers, starved of investment and with shockingly bad industrial relations. It is pretty hard to argue that it represented some long-lost golden age of rail that we ought to return to.

**John Redwood (Wokingham) (Con):** Does my hon. Friend agree that there is a lot of misunderstanding in the debate about rail? The fact is that all the track, signals and stations are nationalised and publicly provided, and the small amount of competition is just a competition, once in a while, to run to a timetable that is state approved and controlled, and to standards that are laid down by the state. We effectively have a nationalised monopoly at the moment.

**John Penrose:** I completely agree with my right hon. Friend. I fear that renationalisation is trying to answer the wrong question when we are starting from a position where we, as taxpayers, own the track and network in the first place. It is time to stop obsessing about the failed and stale old-fashioned options of yesterday, whether franchising or nationalisation, and instead to try a new, better alternative that puts passengers first. Open access rail breaks up the franchises so passengers have a choice of different train companies on their local route. If they do not like one, they do not have to wait 10 years or more for the next franchise to be signed, because a different firm's train will be along in a few minutes.

**John Howell (Henley) (Con):** I wonder whether there is an opportunity to put into practice what my hon. Friend is talking about with the new Oxford-Milton Keynes-Cambridge railway, and whether what he is suggesting would provide a much better alternative to the existing model?

**John Penrose:** My hon. Friend is exactly right; it is much easier to introduce open access rail where there is no established incumbent franchise operator at all. I plan to go on and develop that idea on a broader basis along just the line he mentions, but that is a good example to get us started, if I can put it that way.

Open access rail forces train companies to raise their game; therefore, open access services are usually better. They are far less brittle, for a start, because no single

[John Penrose]

company can dictate the entire timetable. Fares tend to rise more slowly. There are fewer delays and less overcrowding. This is not some unproven experiment. If we talk to local people in Hull, for example, where open access is already in place, or the Labour and Conservative MPs who represent them in that area, the verdict is cross-party and pretty unanimous: they all think it is great.

**Dr Dan Poulter** (Central Suffolk and North Ipswich) (Con): I am sympathetic to my hon. Friend's point; he is making a good speech and I congratulate him on securing the debate. He is right to say that renationalisation of the franchises is not a panacea for improving reliability and quality. He is making some good points about open access rail improving competition, which I am not unsympathetic to, and putting the passenger first; but what about those areas where there is potentially a non-profitable railway line? Would passengers perhaps be the losers in that situation rather than the winners, and would a reduced service be the result?

**John Penrose:** That is a crucial point. The answer is that if we do any system wrong then passengers could lose out. It is perfectly possible to organise open access rail in a way that avoids the problem that my hon. Friend rightly points out could exist. If he will bear with me for a second, I plan to develop that point a little further, but he is absolutely right to point out that it is a potential difficulty if it is not properly designed in.

In principle, the reason that open access works is that it treats trains like air travel. Heathrow or Gatwick let you fly to Paris or Rome on a choice of different airlines, not just one. Why can we not do the same for our railways? Franchises would stop collapsing, because we would not need them anymore. Rail firms would experiment more creatively with new routes that passengers are not getting at the moment, and if one firm was crippled by strikes, we could still get to work on another firm's trains.

So what is the obstacle? What is stopping us from getting on and doing that tomorrow? The answer is: not much, apart from the existing franchises, which brings us to the point that my hon. Friend the Member for Henley (John Howell) raised. Any rail firm that has paid a very large amount of money to buy itself a monopoly on a particular route will understandably be unhappy if someone suggests it ought to face competition from another operator as well. That is not what it paid for, nor is it what its contracts say. However, what happens when those existing franchises end or do not exist to begin with, when they reach their contractual end dates, or when the franchise-owner decides it cannot make them work and hands them back, as has just happened—again—on the east coast main line? What then?

At that stage, at that moment, there is an opportunity. There is no one with a vested interest in protecting an existing franchise investment, or with legal contractual franchising rights, on that route. We can change the system completely. Ask train companies about open access competition on a route where they own a franchise and, understandably, they will bridle; but ask them the same question on a route where there is no incumbent, and their reaction changes profoundly. Let us take the

opportunity that every franchise end point can offer and steadily, progressively, route by route change things for the better.

We could start with the east coast main line. We should auction track slots, so Network Rail suddenly has a huge incentive to find and build more capacity on the network, as my hon. Friend the Member for Wimbledon (Stephen Hammond) said. We should let train firms try out new services, to connect places that are not linked at the moment or to run existing services more efficiently. We should bundle some slots together for peak commuter services into cities such as London or Bristol, or for less economic stations, as my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) said, and expect some to need reverse auctions, where we are minimising a subsidy rather than maximising income, as a result.

We should stop specifying which rolling stock train firms have to use in minute detail, down sometimes to the design of the fabric on the seats, and replace reams of complicated legal paperwork with a few simple, easily measured common standards of good-quality train performance, safety, overcrowding and reliability, which every train firm has to hit. That would turn open access from being a bit-part, marginal add-on to franchising into the main event—the central, mainstream way of organising and running the entire rail network. It would be simpler, less brittle, more creative and flexible, and better value for money for passengers and taxpayers alike. It would be more efficient in the way it used the network and how it invested scarce resources in track or rolling stock. Best of all, it would, at long last, put the passenger first. I look forward to the Minister's enthusiastic response.

4.49 pm

**Bill Grant** (Ayr, Carrick and Cumnock) (Con): It is a pleasure to serve under your chairmanship, Mrs Moon. I thank my hon. Friend the Member for Weston-super-Mare (John Penrose) for securing the debate.

Railways are one of the great examples of this country's industrial and innovative spirit, which is often symbolised by the Forth rail bridge in Scotland. It was designed by Sir William Arol, who for many years resided in Ayr in my constituency. Examples of the revival of our railways in the last two decades, after half a century of almost unremitting decline, are an achievement that warrants more recognition. Since privatisation in 1995, the number of rail passengers in the United Kingdom has more than doubled—way beyond our expectations—and has surpassed all previous records. Britain is once again a nation that runs on its railways.

However, that achievement brings new challenges. We have more rail passengers, and they want and deserve a better service and seek better value for money. To achieve that, we cannot go back to the old system that saw passengers desert the railways for other means of transport. We must instead build on the progress that we have made.

The principle behind privatisation is that competition delivers more investment, better services and better value for the customer, which, to a degree, can be proven. While the situation has improved since the days of British Rail, which I remember well, there is still a shortage of genuine competition on our railways. The vast

majority of rail services in this country are run by franchises—essentially time-limited monopolies granted by the Government. It is easy to see how this system limits competition, especially in Scotland, where the overwhelming majority of services are provided by one operator, Abellio ScotRail, which has a Dutch parent company. Abellio took over the ScotRail franchise in 2015, but questions already have to be asked about its performance. We could in parallel ask about Network Rail's performance.

**Alan Brown** (Kilmarnock and Loudoun) (SNP): Does the hon. Gentleman support calls from the Scottish National party that responsibility for Network Rail Scotland be devolved to the Scottish Government, so that Network Rail does not answer to two different Governments?

**Bill Grant:** My simple reply to that is no, I would not support that at all. Network Rail works by being interconnected throughout the United Kingdom.

**Alan Brown:** You just criticised Network Rail Scotland.

**Bill Grant:** That is correct, and it was a fair comment. ScotRail cannot be blamed entirely, because Network Rail is a key player in the movement of rolling stock within the United Kingdom, including in Scotland.

Under the franchise, ScotRail is supposed to move towards a punctuality target of 92.5%, but in reality it is going backwards. Since August 2017, punctuality has dropped from 91.2% to just 88.7%. That is only if we count trains that are four minutes and 59 seconds late as being on time, so it may be that the figures are slightly skewed.

While getting the most out of franchise arrangements is important, fostering greater competition and giving commuters more choice is also crucial to improving the quality of service for commuters. There are already a number of open access operators, as was mentioned. Grand Central and Hull Trains are consistently at the top of the passenger satisfaction rankings, and the presence of open-access competition has led to more passenger journeys, higher revenues and lower fares, which suits commuters.

The fact is that competition works, and we should look at what we can do to enhance it, not stamp it out. I therefore call on all parties involved—the UK Government, the Scottish Government and Network Rail—to consider what action they can take to break down barriers and secure more open access operators running more services on the United Kingdom's railways. That is not only because open access operators tend to run good services, but because, through competition and choice, they can be a wake-up call to the franchise operators.

ScotRail and the franchises across the UK could do with being kept on their toes, not only by the looming threat of the next franchise renewal but by open access challengers. Our railways have the potential to be an even greater British success story, but only if we avoid the trap of nostalgia. We should not go backwards to nationalisation but focus on what will work in the 21st century. More competition and choice will help to bring better services to commuters in all parts of the United Kingdom. Open access operators are the next phase in the successful journey of Britain's railways.

**Mrs Madeleine Moon (in the Chair):** Before I call the next speaker, I remind Members who have indicated a desire to speak of the usual convention of either approaching the Speaker's Office, notifying the Member who has secured the debate or passing a note to the Chair.

4.54 pm

**John Grogan** (Keighley) (Lab): I stand corrected and admonished, Mrs Moon. The quality of the debate inspired me to make a contribution.

I consider myself to be a democratic socialist and also a great believer in competition, and I do not necessarily see a contradiction between the two. One good thing that came from the Railways Act 1993 and the privatisation of the railways was the creation of open access operators. I could not say that it was a bad thing, because I used to be the Member for Selby, which previously had no direct rail link to the great city of London. As we have already heard, Hull Trains established itself as the pioneer of open access. It initially ran, I think, four journeys a day to London; it is many more now. In terms of the links between Selby and the world, seeing that direct link from London King's Cross to Doncaster and then to Selby and to Hull was like having, to reference an earlier debate, a second division football team, in the effect it had on the town's attractiveness.

The hon. Member for Weston-super-Mare (John Penrose) is absolutely right: those who have always opposed open access operators are Governments of both colours, who have never made it easy for the operators—I think the current Government are looking at it afresh—and the franchise holders. I am delighted that the excellent shadow rail Minister, my hon. Friend the Member for York Central (Rachael Maskell), is here. The citizens of York benefit from Grand Central train services. I remember, under a Labour Government, going to the Office of the Rail Regulator and saying, "This is your chance to be heroes." Everyone said that the rail regulator could not possibly find a path on the railway for that Grand Central service, but it stood up and said that there was space, and we therefore had Grand Central services.

I understand that, from 2021, there will be a service on the east coast main line to Scotland from London, calling at Morpeth, promising £25 fares to Edinburgh. Some lines are easier to run open access services on than others, for a variety of reasons, and even though only 3% of services across the country are run by open access operators, the east coast main line has benefited from that price competition. Any dominant provider—to be honest, it does not matter whether state or private—will become complacent and find it hard to innovate. That is as true of the current franchise holders as it was of British Rail. I fully support the Labour party's policy of taking that franchise back into public ownership, because I am a great believer in a mixed economy. There was a moment under a Conservative Government when the state provided services on the east coast main line, and consumer satisfaction was high, but the open access providers pressed it and kept it honest.

I say gently to my party, as we develop our policy, that it may not be popular. If at the next election it looks as though we are about to form a Government, my constituents will ask whether the policy will mean the end of the Grand Central service from Bradford to



[John Grogan]

London, and people in Selby will ask whether it will mean the end of the Hull Trains service to London. I hope the answer to those questions will be no. With those remarks, I sit down, admonished.

4.58 pm

**John Redwood** (Wokingham) (Con): I strongly support the proposition of my hon. Friend the Member for Weston-super-Mare (John Penrose)—that we could do with more competition and choice on the railways. The Hull example is great, and I am pleased that it has cross-party support. That city was not well served by the existing monopoly system. It allowed competitive challenge and granted an extra service, and everybody seems happy with it.

That example demonstrates that it is possible to introduce competitive challenge into what is effectively a nationalised monopoly system at the moment. We had rather more competition and choice in the early days of franchising, when it shook things up and improved services, but it is clearly not doing that to any great extent anymore, because successive Governments have wanted more control and authority over the detail and specification of the franchises. In the only competition that there has been, one or two bidders have bid too enthusiastically, and we have then had the embarrassment of their walking away. People rightly ask what they added and whether they were genuinely at risk if they were able to walk away. They would say, “Well, Network Rail didn’t deliver the capacity we were promised, so we weren’t able to deliver the services,” and they would say that the rest of the structure—the controls over timetabling and specification down to the kind of minutiae that my hon. Friend mentioned—made it impossible for them to achieve the changes or innovations that might have led to a profitable service for them and a better service for the customer. There is, therefore, quite a lot of common ground between the parties that the existing system needs considerable change. As my hon. Friend rightly said, we have all had experiences of broken and bad services in recent months, and our constituents have been let down all too often when they have tried to make the journey to work.

My own experience is that I often visit cities and towns around our country, because I love our country and I wish to stay in touch with more of it than just my constituency, and often when I am trying to get back to London to do the rest of my job, I book myself on a fast train and some previous service has been delayed. There may have been a driver problem with a slow train; more often, there will have been a big signalling problem earlier in the day. Then, not only is our service delayed when it arrives, but it gets progressively more delayed into London, depending on how far out we started, because it gets stuck behind stopper services that are themselves delayed, and then everyone is extremely frustrated and the businesses are in the dock for failure to deliver. That is particularly hard for the franchise company if it is indeed a Network Rail failure. It is more fitting that it should get the anger of the travellers if the issue was its own inadequacy at managing.

I therefore have a lot of sympathy with what my hon. Friend says, but I want to explore the most difficult part of his proposition. I am all in favour of open access and

different competition. I agree with him that if people can offer services that the public actually want, rather than having to accept a managed best guess—probably over-managed by the Government—that would be better. I am just a bit concerned about how the network monopoly would still operate. My hon. Friend makes a very good point: he says that if there were open access to the network, presumably it would still be a public sector monopoly, but it would have an incentive to provide more capacity, because obviously the more open-access services it ran on its tracks, the more revenue it would gain. We would hope that it would behave in a positive way, even though it was a public monopoly, and would see that that was its main aim, and we presume that a Minister would instruct it that it needed to provide more capacity.

We first need to ask ourselves how we could get the extra capacity in our current system at a sensible price, whatever model of ownership and running the railways we might want, and then we need to look at how a particular model might operate. It seems to me that there are two relatively good-value and straightforward fixes for capacity that we need to do more of. I do not myself think that we can carry on with the idea that we will simply build new railway lines. The High Speed 2 expenditure is a very wasteful way of doing that and it will also do quite a lot of commercial damage to the routes that it takes on when it opens up, so we will have excess capacity on that particular set of routes and still be chronically short of capacity everywhere else. We are chronically short of capacity particularly at peak times into main cities, and the best thing the railway can do is move an awful lot of people at roughly the same time, when it has a clear advantage over the roads. We chronically lack capacity when it could do a really good job and provide an answer for people who are prepared to pay very high sums of money for a season ticket in order to carry out a job that often is not that well paid. They expect, in return for that, reliability and a seat on a train, which is a luxury that many of them do not get under the current system.

As I have said, there are two ways in which we can expand capacity more quickly. The most important, which the Government are now experimenting with—I urge them to go further and faster—is the wholesale adoption of digital signalling. According to my understanding of the technology and the expertise in the industry, it would be quite easy to get a 25% increase in capacity by introducing digital signalling. If we fly in a light aircraft over Britain at the peak time in the morning or evening, we will see completely clogged main roads into and out of the cities and largely empty railway track into and out of the cities because there is typically a 2-mile gap between the trains, for very good safety reasons. But with digital technology, it would be possible to run a really safe railway and have fewer gaps between the trains. Of course I want a very safe railway, and largely we have a very safe railway; we want to be able to take that for granted. However, given that the trains should all be going in the same direction on the same piece of track, and given that through the signalling system they should not be intersecting with one another in the way road traffic does, it should be possible to run more trains on a continuous piece of track with clear visibility, a satellite system and a digital communications system, which would act as a restraint were two trains to get into the wrong place. They would be able to see

each other electronically, and there could even be automatic override, although I think drivers are quite capable of keeping the trains safe, and that is one of their main functions in such a situation.

I therefore urge the Minister to roll digital signalling out more quickly, and we may be able to go on from a 25% capacity uplift to a rather bigger capacity uplift, because the tracks remain remarkably empty when one is standing in quite a busy station, waiting for a train. It can be a very long wait, and not much else happens. We think to ourselves, "If this were a main road, I would have seen a thousand cars by now," and we have seen two trains. We think to ourselves, "This is crazy. We have these fabulous routes. There must be a safe way of developing them." And the great news is that there is, because digital technology, satellites in skies and the ability to know exactly where things are give us that capacity.

The other thing that I think is needed, to deal with the problem of the people going long haul needing a different pace of train on a single piece of track that also has to take stopper trains, which go much more slowly, is a bit more investment in bypasses. We do not need very long sections of track; we just need regular sections of track where we have double-tracked where there was a bit of spare land—there is quite a lot of waste and spare land around the railway system—so that the fast trains know that they have to go only another 3 or 4 miles down the track and there will be a short bit of track, with appropriate signalling, where they can get past the slow train without any problem. Then we would undo some of the damage that has been done by the timetable disruption through the absent driver, broken signal, broken rail or whatever it is that has caused the problem that day.

You will be pleased to know that this will be a short speech, Mrs Moon. In conclusion, open access, competition and choice can make a difference, but we need to tackle the capacity problem. Perhaps my hon. Friend is right to say that we can do that with a monopoly provider, or perhaps we have to look at models whereby individual dominant players on a route network with open access take responsibility for the capacity provision with the regulator, because we need to ensure what whoever holds the track not only has a theoretical incentive to provide more capacity, but actually wants to provide more capacity. We may need a market model for that, because up to this point Network Rail has been bitterly disappointing, very backward looking and slow at answering what the public want, which is a lot more peak-time capacity into our towns and cities.

5.7 pm

**Alan Brown** (Kilmarnock and Loudoun) (SNP): It is a pleasure to serve under your chairmanship, Mrs Moon. Like other hon. Members, I congratulate the hon. Member for Weston-super-Mare (John Penrose) on initiating the debate and putting forward new ideas and thinking on the operation of the rail system. One thing that I think we can all agree on is that, as the hon. Gentleman said in his opening remarks, the existing franchise system is absolutely broken. There are too many direct awards, which means a lack of competition and less pressure on prices. We have had the east coast main line shambles. No matter how we dress it up, Virgin Trains East Coast has been able to walk away owing the taxpayer £2 billion.

That is a £2 billion write-off of bad debt. There are also the ongoing issues with Southern Railway, and of course there are the latest timetabling issues, so there is no doubt that the franchising system as it is operating under this Government is not working; it is not fit for purpose.

The hon. Member for Weston-super-Mare stated his belief that franchises put train companies first, rather than passengers. I certainly agree that train companies—obviously—have to make profits, but I would suggest that with open access there would still be companies that would have to make profits, so they might still be driven to display the same behaviours.

**John Penrose:** Nothing says that open access has to be among profit-making companies. There could be not-for-profits and publicly owned companies, providing that they all compete with one another on a level playing field. I just want to reassure the hon. Gentleman about that.

**Alan Brown:** As a complete free marketeer, I welcome the fact that the hon. Gentleman is saying that we can have not-for-profit and public sector involvement. I agree with that sentiment.

I think, however, that the hon. Gentleman has oversimplified how this could work. It was suggested that if one train company is not operating to satisfaction, a passenger can switch to another train company, just like shopping for coffee. I have a funny feeling it will not be that simple for widespread open access. We have heard the benefits that open access can bring, but the reality is that train operators will still be bound by the same constraints of the existing network, particularly station capacity at mainline stations. There therefore might not be the flexibility to have so many train operators competing. Slot access has to be managed. We must also consider the movement of freight on the rails. There are a number of elements that need to be understood and factored in, which might restrict open access slot availability.

It was suggested that that might incentivise Network Rail to build more capacity. At the end of the day, however, if that is an incentive for Network Rail, the taxpayer still has to fund Network Rail upfront for the costs or Network Rail will have to borrow against optimistic future track rental fees. There is a risk, therefore, that it will not incentivise Network Rail to start duplicating rail networks across the UK.

It was also said that this would be comparable to the way we shop around for air services. I do not think that is comparable. The constraints on Heathrow stifle competition just now. There is not the widespread competition in air routes that everybody would like to see. Particularly for connectivity in Scotland, passengers do not have the choice that we would like. Again, it is a slightly idealistic comparison. Having said that, I welcome the suggestion. It has merits and it can work, but it will not be able to work as an entity by itself, because we will still need to protect the less-profitable routes. I suggest that it would need to be part of the mix, but I would not dismiss it out of hand.

The hon. Member for Ayr, Carrick and Cumnock (Bill Grant), in my opinion, wrongly conflated cause and effect with the end of British Rail—franchising was brought in, and suddenly passenger numbers rocketed and all the rest of it—but that was because Government

[Alan Brown]

constraints on investment in the rail rolling stock were lifted. There was therefore investment in the rolling stock, which the franchises were allowed to do, but that investment was still paid for by a combination of train users and the general taxpayer, because many franchises are subsidised. It was a direct consequence not of privatising British Rail and breaking up the rail network, but of allowing that investment to take place. Too often, many Conservative MPs seem to think that franchising the system created magic money. They seem to think the franchises were like the Prime Minister's magic money tree, but they are not. It is always funded from somewhere—that is, from the general taxpayer.

**Bill Grant:** I think the hon. Gentleman is distorting what I was saying. I clearly said that passenger numbers had doubled. In life, we have to deal in facts. That was a clear fact, and I went into the details and the reasons why. The trains certainly did improve in quality. I use them on a weekly basis, going north to south. The quality of the train rolling stock is very good.

**Alan Brown:** I thank the hon. Gentleman for clarifying. I remind him, however, that he repeatedly spoke about the bad old days of British Rail. I am just reminding him that those so-called bad old days were because the Government would not allow any investment, so it was not necessarily a function of British Rail being a national rail company.

The hon. Member for Ayr, Carrick and Cumnock also mentioned the Scottish Government working with the UK Government, with which we all agree. I would point out that in terms of funding for control period 6, the UK Government just told the Scottish Government what funding they were getting. There was a big shortfall. There was no consultation on how that would happen. There has been an ongoing, constant refusal to devolve Network Rail. We have seen recent events, such as with the fisheries White Paper, on which there has been no consultation with the Scottish Government. I agree that it would be ideal if the two Governments could work better together, but I suggest that there is a clear fault line. The UK Government are imposing stuff on the Scottish Government and not consulting.

We heard a last-minute entry into the market, as it were, from the hon. Member for Keighley (John Grogan). He highlighted the benefits of competition and open access slots in his area. That is important. It was good to hear how that has benefited his constituents. Like him, I welcome the potential future Scotland-London link-up and the predicted lower rail fares. That can only be good for passengers travelling on the east coast main line. As he has a wee habit of doing, there was a slight bit of friendly fire against Labour's policy of nationalising rail, because he is concerned about what that would mean for the open access slots for his constituents. I look forward to the shadow Minister's response on that.

Lastly, we heard from the right hon. Member for Wokingham (John Redwood). He said towards the end that he had made a short speech, but I thought he was in danger of speaking longer than the lead sponsor of the debate. Given how long I have been speaking, however, I am maybe being a wee bit hypocritical, I admit. He highlighted the failings of Network Rail.

Other hon. Members did so in interventions, too. I remind them that Network Rail is answerable to the Secretary of State, so when we talk about the failings of Network Rail, it is an admission of the failure of the UK Government and the Secretary of State for Transport. They seem to agree with Opposition Members that the Transport Secretary is not up to the job.

As I said, there is some merit in open access, but I do not think it is a one-size-fits-all solution or that it will be the panacea for a new smoothly operating Network Rail. There is no doubt that profitable routes will be cherry-picked. We need to protect non-profitable routes. I also have concerns, if it was too widespread, about what this could mean for investment in rolling stock. Rolling stock investment has a long payback period. That is what is supposed to underpin the franchise system at the moment. Franchise holders get a longer award, which allows them to borrow to invest in the rolling stock, so if there are not any longer award periods, there is a risk that there will not be that long-term investment.

On passengers' general choices, I challenge the UK Government to speed up the connection of High Speed 2 to Scotland—at the moment, as we know, it will stop at Crewe—and to look at improved investment in the existing network north of Crewe. That is really important.

Competition is good. I welcome the fact that the hon. Member for Weston-super-Mare acknowledges that we can and should have public sector involvement. There cannot be too much open access. It cannot be massively increased while we have the existing franchise system, so the Government would need to do a complete overhaul of how the rail system operates. Given the failures of the franchise system, that overhaul is long overdue.

5.18 pm

**Rachael Maskell** (York Central) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mrs Moon. I know what an interest you and other south Wales MPs have in the rail network, not least since we saw the announcement of de-electrification last summer.

I thank the hon. Member for Weston-super-Mare (John Penrose) for bringing this debate to the Chamber. There was another debate on the same subject only yesterday afternoon. It is interesting to see how many Back Benchers and members of the Conservative party now recognise that the franchising system simply is not working. We have been saying for such a long time that it is failing and has no mechanism for success.

I am glad that that recognition is there. It has been brought to the fore over the last two months with the complete meltdown of the timetable and the real pain that that has put the travelling public through. The chaos continues even today. We have a new timetable coming in this weekend. We are holding our breath to see whether that will make a difference. Quite frankly, the public has had enough and wants change. They have said that they want a nationalised railway, and I will touch on what that means for the future.

I agree with the hon. Member for Weston-super-Mare, who wrote in *The Telegraph* that the chaos and the franchising system are

“symptoms of a broken rail franchising system that's so brittle and inflexible it's causing misery for millions. Franchises put train firms first, rather than passengers”.



That cannot be the case when we are talking about a public service. I will depart from agreement with him at that point, as he might expect.

I want to pick up the point about the range of options that would be available if there was an open access system, and the thinking that if someone's train did not arrive on time, they could simply pop on to another train. We know that does not work at the moment under open access, and in fact, there is real frustration among the travelling public that they have to buy a new train ticket or wait at the station until that operator sends another train. Open access will not solve the ills that have been described.

The fragmentation across the railway system has failed, and bringing more operators on to the system through open access would mean more fragmentation, which is the last thing that the rail system needs. The whole rail industry is clearly saying that we need to bring the rail system together. In particular, its focus has been on bringing track and train together to ensure that wheel and steel connect, so there can be a conversation about what happens on the infrastructure and between the trains that run on it. That has universal support. I agree with the Government, who have also said that that is absolutely essential. Bringing more competition and more rail operators on to the rail operating system will further fragment those relationships.

I want to pick up the challenge about the creativity of new routes. Those opportunities will exist under any system. The complexity sits in the fact that many of those routes cross traditional route lines—the main lines—so they become more complex for timetabling. We need integration, rather than fragmentation, to address those challenges.

Labour has clearly said that we would introduce a programme of nationalisation of the railway system, but I want to make it clear to all hon. Members that that is not going back; it is moving forward to a new system of nationalisation. Just as hon. Members have articulated that they want new private-market models operating on the railways, there is no one system of nationalisation. That is what we have focused on in developing our model. We have worked closely with the rail industry, rail operators—who are embracing what we are saying—and people working across the infrastructure, and we have looked at examples globally, on how best to run the railway system in the future and how to put in the challenge, opportunity, enhancements and vital long-term investment to ensure that we have a system that works best for the future.

As the hon. Member for Kilmarnock and Loudoun (Alan Brown) said, we need only remind ourselves that the fact that more people are on our rail system is because in 1997 a Labour Government came in and invested in rail services, which had been so starved of resources that British Rail was run down in its final days. It is about ensuring that resources go to the right place in the system to revitalise the railways. We will see that under a new rail structure.

So much of this is about where the money flows. We must remember that private train-operating companies do not own the trains; they lease them from the rolling stock leasing companies. They lose between 30% and 40% in the additional charging by the ROSCOs on the back of those trains. If we owned our rolling stock, we could put that investment back into the rail service,

which is exactly what we need to do. A report from the industry says that 30% is lost because of the Government's on-off decision making. I agree with the hon. Member for Weston-super-Mare that we do not want political interference in the running of our rail. The level of political interference today across the rail system is extraordinary, with the Secretary of State at the head and making decisions about which lines will be electrified.

A Labour Government would not be interested in doing that. We want the rail service to run the rail service; we do not want the state to interfere. We will set the strategy, and the nationalised company will run the railways. People who are the experts in running the railways should move forward, rather than politicians who, frankly, make political decisions about the railways, as they are today. That would not happen under the nationalised company that we will put forward to run the railways.

We would structure the railways to ensure that we get that long-term investment, because the cry from industry is that the Government changing their mind about electrification and other projects has meant that it has had to not only gain skills and put apprenticeships on to build up to a programme that the Government said was going ahead, but then lay people off. What a waste of talent, let alone resource. We want a long-term plan. The franchising system and the open access system do not serve that need. The public are demanding that we ensure that investment, so we can plan our infrastructure changes and co-ordinate them with the routes and enhancements, such as the new rails and new opportunities, that we want to bring on to the track. That is what a Labour Government will deliver when we come to power.

One thing that has not even been mentioned in the debate, although I appreciate it is about passenger choice, is that we need to ensure that the rail network is there for freight. Operators across the network also need to have good access to our tracks and the ability to move goods across our country. As we are talking about the future of our economy, it is crucial that those choices are made for the sake of our economy, and that they work.

In the future, we have to say where the investment will come from. Open access is not the answer to longer term investment in our railways. The franchising system ensures that there is a profit margin that can go to companies, although many are not receiving those profits because, quite frankly, they are failing. The amount of money that leaks out of the system is not acceptable to the taxpayer. With regard to the recent chaos, we could be talking about £1 billion of taxpayers' money being used to pay the compensation due to that failed timetable. It failed because of franchisers putting in their different demands and everyone wanting their new routes put on to a new timetable, and the Secretary of State changing his mind about his priorities and not leaving sufficient time to put a new timetable in place. The Secretary of State's decision making and the infighting among the railways has been so costly. That will disappear with our nationalised railway system, because we will not have the barriers that could create that.

**Mrs Madeleine Moon (in the Chair):** Order. I hope the shadow Minister is about to wind up. We have to hear from the Minister yet.

**Rachael Maskell:** I am watching the time. I will not go over my halfway mark.

**Mrs Madeleine Moon (in the Chair):** You have gone over your five minutes considerably.

**Rachael Maskell:** Five minutes?

**Mrs Madeleine Moon (in the Chair):** In an hour debate, it is five minutes.

**Rachael Maskell:** No one has ever told me that before, so thank you, Mrs Moon. I will come to my conclusion.

We want to ensure that the rail system works for passengers, that it improves social mobility, that it drives our whole economy forward and that it causes modal shift, to ensure that people are not getting into their cars, as they are today, but back on to the railways. That is why Labour's model will work, and when we get into power, we will put it in place.

5.29 pm

**The Minister of State, Department for Transport (Joseph Johnson):** It is a pleasure, Mrs Moon, to serve under your chairmanship.

I start by congratulating my hon. Friend the Member for Weston-super-Mare (John Penrose) on securing this important debate, which, as he is aware, follows hard on the heels of a similar debate yesterday. We wait months for a debate on open access, then two come along at once. He made a terrific and really powerful speech, and I very much look forward to addressing in my remarks some of the points that he and other right hon. and hon. Members raised.

First, I will say that I and the Government are truly grateful to all the staff on the railway network. In about 90 minutes, I am sure that many of them would want to watch England play Croatia in the World cup semi-final, but instead they will be performing sterling duties, keeping the railways running and the trains moving. I just want to register for the record how grateful I am to them for that. This is a debate about choice and competition, and those members of staff will not necessarily have that choice later on today.

The choice to be able to travel by rail at all is one of the most important things that we can offer people. Whether they travel to commute to work, to do business or to connect with friends and loved ones, we want to offer people the choice of a wide range of journeys and services, and the railway has been steadily delivering more and more of that choice. The number of passenger journeys on offer in Great Britain has increased by over a quarter since privatisation and, as my hon. Friend the Member for Ayr, Carrick and Cumnock (Bill Grant) said earlier, passenger numbers have more than doubled.

Since 2015 alone, we have opened 21 new stations on the national rail network, including in communities such as Bradford, Midlothian and Devon. These stations offer new journey opportunities and relieve the urban congestion that slows down growth.

Having just heard the remarks of the Opposition Front-Bench spokesperson, the hon. Member for York Central (Rachael Maskell), I believe that she would do well to heed the concerns that were conveyed by the hon. Member for Keighley (John Grogan). I believe that he is absolutely right to be concerned about the loss

of choice that would undoubtedly result from the policy of wholesale nationalisation of the entire railway network advocated by the Labour party.

Our commitments to go further and to make further investment will meet demands for more capacity on the network. That was a point spoken to powerfully by my right hon. Friend the Member for Wokingham (John Redwood). He was absolutely right to ask the important questions that he did about how we can deliver more capacity more efficiently, and he made important and valuable points about the need to accelerate the roll-out of digital signalling and the development of the digital railway in general, and also about the need for further investment in passing loops. I reassure him on digital signalling that we absolutely recognise the benefits that he spoke of, and that the roll-out of digital signalling across the UK is under way. Emblematic features of that roll-out are in parts of the Thameslink programme, for example, and in Crossrail.

We are also committed to giving passengers the choice of how to pay for their journey, including smart cards, contactless cards and mobile phone payments. The railway also offers passengers a range of times at which to travel and flexibility over when they want to return, all provided for through a single, joined-up ticketing system. So we are fully behind the idea of offering passengers choice and our strategic vision for rail, which was published last November, set out our plans to offer even more choice.

My hon. Friend the Member for Weston-super-Mare spoke about a further type of choice in his remarks—indeed, it was the focus of his remarks—and that is choice of operator. For many journeys, passengers have a choice of operators. However, it is not always practical or efficient to have multiple operators running on the same route. On many commuter routes, having a single operator is the best way to meet passengers' preferences. This was recognised by the Competition and Markets Authority in its 2016 report on passenger rail competition. Passengers on these routes generally want a "turn-up-and-go" service, whereby they can get on the next train. With multiple competing, non-franchised operators, this would not be possible, because passengers' tickets would only be valid on one operator's services.

However—I am about to make remarks that I believe my hon. Friend will find more encouraging—I agree that there is a place for choice between operators in some specific cases. That is particularly so on inter-city lines, where travel is often more discretionary; for example, where people are visiting family and friends, or indeed many of the great tourist destinations that the UK has to offer, including, obviously, Weston-super-Mare, which is a place close to my heart. These passengers often book in advance and take a specific train, allowing them to choose a service that best suits their needs.

My hon. Friend also mentioned the east coast main line in his remarks.

**John Penrose:** Before the Minister moves on—he is being very helpful in trying to cover all the different points—may I just ask him a question? He just mentioned and celebrated the existence of this integrated ticketing system that he is talking about. Does that not rather solve the problem that he is then saying will crop up if we try to have people who cannot turn up and go using different operators on the same line?

**Joseph Johnson:** To some extent but not entirely—I think that is the answer to my hon. Friend’s question. An integrated ticketing system enables people to buy a ticket for any journey anywhere in the country; it does not necessarily enable them to buy a ticket that is fungible across operators.

My hon. Friend also mentioned the east coast main line, where there are no fewer than 11 passenger operators, including the two open access operators, Hull Trains and Grand Central, which have delivered huge benefits for the communities they serve. Alternatively, take the west coast main line, where Great North Western Railway has recently been granted rights to run open access services between London and Blackpool alongside the franchised operator. That will offer passengers a choice of operators and up to six extra direct services to Blackpool per day, on top of the franchised services already available to them.

My hon. Friend the Member for Henley (John Howell) mentioned the new east coast railway. It is right that we consider all options for that new railway, which is under development, so that we deliver the best outcome for passengers and taxpayers, but we must also deliver all types of service, which a free market on its own would not do. So unless they can make a profit, franchises can get this balance right for everyone.

I am clear that open access is an important part of the railway, and can play a greater role in offering greater choice, in the right circumstances.

**John Redwood:** One day when I was trying to get back from Birmingham to London, I had pre-booked on service A to terminus A and that service was up the spout, so service A very kindly said that I could go on service B—a different company on a different route to a different terminus—and it just honoured the ticket. So there is clearly a way of making these tickets interoperable if the companies wish.

**Joseph Johnson:** My right hon. Friend has made an important observation. We can certainly look at ways to make tickets more fungible, but the purpose of the present integrated smart ticketing system is to enable passengers to “turn up and go”, to use the latest technology and so on. As yet, it has not focused on making tickets fungible between operators, and I am sure that is something that, as the open access policy develops and as open access develops as a feature of our system, will become more prevalent.

As the CMA recommended, however, a greater role for open access requires robust reforms to create a level playing field between different types of operator. At present, as my hon. Friend the Member for Weston-super-Mare knows, open access operators do not pay towards the fixed costs of the network on which they operate, nor do they contribute towards the vital social services that the franchised operators that they compete with deliver. That distorts the incentives of operators and means that we cannot realise the full benefits of competition for passengers.

That is why we are now working closely with the Office of Rail Regulation on its proposals for reforming track access charges in the next rail control period, from 2019 to 2024. These reforms will see open access operators pay an appropriate amount towards the fixed costs of the network where they are able to. We support this move as a vital step in creating the level playing field between open access and franchised operators.

We have also consulted on a possible public service obligation levy. Such a levy would complement track access charging reform, so that open access operators would also pay towards the social services that franchises deliver to many stations. Those stations would not have the levels of service they do today if left entirely to the free market, and the Government offer greater passenger choice through the franchising system to deliver social as well as economic benefits.

**John Penrose:** The Minister is being generous with his time. I suggest to him that he can avoid quite a lot of this regulatory and bureaucratic complexity if he simply switches to auctioning track slots for these things. At that point, the market-clearing price would be discovered. He does not have to set all these other additional points at all.

**Joseph Johnson:** I just observe that the franchising system as it exists today is already a version of the auction that my hon. Friend describes, in the sense that franchise bidders bid a specification that they feel is optimal for that area and the Department then assesses their bids. It is, in effect, an auction in some ways.

A greater contribution by open access operators towards the cost of the railways and a more level playing field should lead to more opportunities for open access services, and thus potentially greater choice for passengers. However, it is crucial that we get the reforms in place first, so that we can start on the right footing. I leave my hon. Friend a moment to wind up.

5.40 pm

**John Penrose:** I thank everybody who has contributed to this afternoon’s debate. There has not been complete cross-party unanimity—far from it—but what we do have is a clear framing of a likely political choice. I encourage the Minister, who has been helpful and encouraging, to go further and faster in this area. At that point, we will frame a very clear political choice between those who want to give passengers more choice through competition and those who want to do it in a different way. At that point, voters would at least then know what they are voting for and choosing on the day.

*Question put and agreed to.*

*Resolved,*

That this House has considered increasing choice for rail passengers.

5.41 pm

*Sitting adjourned.*





# Written Statement

*Wednesday 11 July 2018*

## HOME DEPARTMENT

### National DNA Database Strategy Board

**The Minister for Policing and the Fire Service (Mr Nick Hurd):** My noble Friend the Minister of State, Home Office (Baroness Williams of Trafford) has today made the following written statement:

I am pleased to announce that the national DNA database strategy board annual report for 2016-17 is being published today. This report has been expanded to cover the national

fingerprints database in addition to the national DNA database (NDNAD) to reflect the extension of the remit of the strategy board.

James Vaughan, temporary chair of the FIND strategy board, has presented the annual report of the national DNA database to the Home Secretary. Publication of the report is a statutory requirement under section 63AB(7) of the Police and Criminal Evidence Act 1984 as inserted by 24 of the Protection of Freedoms Act 2012.

The report shows the important contribution that the NDNAD and the national fingerprint databases make to supporting policing and solving crimes. I am grateful to the strategy board for its commitment to fulfilling its statutory functions.

The report is being laid before the House and copies will be available from the Vote Office.

[HCWS843]





# Petitions

*Wednesday 11 July 2018*

## PRESENTED PETITIONS

*Petition presented to the House but not read on the Floor*

### **Home Education: draft guidance and consultation**

*The petition of residents of Somerton and Frome Constituency,*

Declare that the “Home Education—Call for Evidence and revised DfE guidance” has been written following significant consultation with local authorities and no consultation whatsoever with the home education community; further that the consultation is consequently for little more than show as an intention to implement the content has already been stated: further that it seeks to encourage local authorities to breach the ECHR Article 8 and the GDPR; and further that the report provides no accessible means for a parent to address ultra vires behaviour by their local authority, where many of those authorities already act routinely in an ultra vires manner.

The petitioners therefore request that the House of Commons urges the Government to withdraw the draft guidance and the consultation, until it has put in place an accessible and workable complaints procedure and further has consulted with home educating parents, as it has with Local Authorities, what the contents should include.

And the petitioners remain, etc.—[Presented by David Warburton.]

[P002204]

*The petition of residents of West Dorset Constituency,*

Declare that the “Home Education—Call for Evidence and revised DfE guidance” has been written following significant consultation with local authorities and no consultation whatsoever with the home education community; further that the consultation is consequently for little more than show as an intention to implement

the content has already been stated: further that it seeks to encourage local authorities to breach the ECHR Article 8 and the GDPR; and further that the report provides no accessible means for a parent to address ultra vires behaviour by their local authority, where many of those authorities already act routinely in an ultra vires manner.

The petitioners therefore request that the House of Commons urges the Government to withdraw the draft guidance and the consultation, until it has put in place an accessible and workable complaints procedure and further has consulted with home educating parents, as it has with Local Authorities, what the contents should include.

And the petitioners remain, etc.—[Presented by Sir Oliver Letwin.]

[P002205]

*The petition of residents of Yeovil Constituency,*

Declare that the “Home Education—Call for Evidence and revised DfE guidance” has been written following significant consultation with local authorities and no consultation whatsoever with the home education community; further that the consultation is consequently for little more than show as an intention to implement the content has already been stated: further that it seeks to encourage local authorities to breach the ECHR Article 8 and the GDPR; and further that the report provides no accessible means for a parent to address ultra vires behaviour by their local authority, where many of those authorities already act routinely in an ultra vires manner.

The petitioners therefore request that the House of Commons urges the Government to withdraw the draft guidance and the consultation, until it has put in place an accessible and workable complaints procedure and further has consulted with home educating parents, as it has with Local Authorities, what the contents should include.

And the petitioners remain, etc.—[Presented by Marcus Fysh.]

[P002206]

# ORAL ANSWERS

Wednesday 11 July 2018

	<i>Col. No.</i>		<i>Col. No.</i>
<b>PRIME MINISTER</b> .....	959	<b>SCOTLAND—continued</b>	
Engagements .....	959	European Union (Withdrawal) Act 2018:	
		Legislative Consent .....	951
<b>SCOTLAND</b> .....	949	Industrial Strategy .....	949
Connectivity .....	955	Leaving the EU: Fishing .....	954
Devolution .....	957	Telecommunications: Rural Areas .....	957

# WRITTEN STATEMENTS

Wednesday 11 July 2018

	<i>Col. No.</i>	<i>Col. No.</i>
<b>HOME DEPARTMENT</b> .....	39WS	
National DNA Database Strategy Board .....	39WS	

# PETITIONS

Wednesday 11 July 2018

	<i>Col. No.</i>
<b>PRESENTED PETITIONS</b> .....	11P
Home Education: draft guidance and consultation .....	11P

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## CONTENTS

Wednesday 11 July 2018

**Oral Answers to Questions [Col. 949] [see index inside back page]**

*Secretary of State for Scotland*  
*Prime Minister*

**Afghanistan [Col. 973]**

*Statement—(Gavin Williamson)*

**National Health Service [Col. 982]**

*Motion for leave to bring in Bill—(Eleanor Smith)—agreed to*  
*Bill presented, and read the First time*

**Opposition Day [16th allotted day]**

**The Secretary of State's Handling of Universal Credit [Col. 985]**

*Motion—(Margaret Greenwood)—on a Division, negatived*

**Defence Industry and Shipbuilding [Col. 1032]**

*Motion—(Nia Griffith)—negatived*

**Petition [Col. 1076]**

**Fishing Industry: Visas for Non-EEA Citizens [Col. 1077]**

*Debate on motion for Adjournment*

**Electricity [Col. 1085]**

*Motion, on a deferred Division, agreed to*

**Westminster Hall**

**Nuclear Sector Deal [Col. 335WH]**

**ESA: People with Motor Neurone Disease [Col. 357WH]**

**Listed Sporting Events [Col. 365WH]**

**Increasing Choice for Rail Passengers [Col. 371WH]**

*General debates*

**Written Statement [Col. 39WS]**

**Petitions [Col. 11P]**

*Presented Petitions*

**Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]**

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