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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Thursday 12 July 2018

House of Commons

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The House met at half-past Nine o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Protected Geographical Indications: Export Value

1. **Douglas Chapman** (Dunfermline and West Fife) (SNP): What recent discussions he has had with the Secretary of State for International Trade on the export value of food and drink sector products with the protected geographical indication mark. [906409]

The Minister for Agriculture, Fisheries and Food (George Eustice): I have regular discussions with the Secretary of State for International Trade and others on promoting the UK's food and drink abroad, including those foods with geographical indications. Food and drink with GIs represents about 25% of UK food and drink exports by value, with Scotch whisky being the largest by far. Those play an important role as exemplars of quality British produce.

Douglas Chapman: I thank the Minister for that reply. Arbroath Smokies, Stornoway black pudding and Scotch whisky are all key products in maintaining a high profile for Scottish food and drink. When he comes to agree trade deals post Brexit, will he be consulting and involving the Scottish Government in these discussions to make sure that all brands are protected?

George Eustice: I simply say to the hon. Gentleman that we are clear that initially, through the European Union (Withdrawal) Act 2018, all of our protected food names will come across and be protected in UK law. We are absolutely committed to ensuring that we maintain all our protected food names, and we have some 70 right across the country. I know that some, particularly salmon and Scotch whisky, are incredibly important to Scotland, and of course we will be working with our devolved Administrations and with our MPs in this House to make sure we protect those foods.

Douglas Ross (Moray) (Con): As well as working with the Scottish Government, does the Minister agree that the Scotch Whisky Association has done an incredible amount of work on this issue, which is hugely important for that industry? Will he give further assurance that he is working across government—not just in his Department, but with every Department—to ensure that everyone knows how important the GIs are?

George Eustice: Yes, and I would like to pay tribute to the work that the Scottish Conservative MPs have done to highlight these important issues. On Scotch whisky, we, along with the Department for International Trade, have done a lot of work with other Departments to ensure that we highlight the importance of these vital brands.

John Mc Nally (Falkirk) (SNP): The Secretary of State was explicit that

“market access for fisheries products is separate to the question of fishing opportunities and access to waters.”

But what use are fishing opportunities and access to waters if your product risks being held up in customs? For industries such as the live shellfish industry of Orkney this is literally a life-and-death situation, for should one of these shellfish perish, the whole tank is lost. Has the Minister had conversations about the difficulty we may have in the near future?

George Eustice: I am not aware there is a precedent anywhere else in the world of giving a country access to your waters—to your own resources—in return for trade agreements. That is just not the way it works. There will be a discussion and an agreement on the management of shared fisheries stocks, and we are clear in our White Paper that we will manage our own exclusive economic zone and control access to it. Then there is a separate discussion to be had on trade, and the EU wants access to the UK market, too.

Tree Planting

2. **Chris Davies** (Brecon and Radnorshire) (Con): What steps he is taking to promote the planting of trees. [906411]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey) *rose—*

Mr Speaker: It is a great pleasure to welcome the hon. Lady back to the House.

Dr Coffey: Thank you, Mr Speaker. It is a great pleasure to be back, and I want to thank my hon. Friend the Member for Macclesfield (David Rutley) for the fantastic work he did.

Last year, we were listening to hon. Members and the industry, which is why we changed the criteria for the woodland carbon fund and the woodland creation planning grant to make them more attractive to applicants. I am pleased to say that countryside stewardship applications have increased; we have established a large-scale woodland creation unit; we are providing funding to kick-start the northern forest; and we have appointed the national tree champion, Sir William Worsley, to help drive the growth in forestry.

Chris Davies: May I, too, say how wonderful it is to see the Minister back in her place? But while back in her place, can she reassure me that a pilot forestry investment zone will be launched this summer and that its sole focus will be on delivering the productive softwood planting that the forestry industry, including sawmills in my constituency, so desperately needs?

Dr Coffey: My hon. Friend the Member for Macclesfield did announce that the first forestry investment zone will be in Cumbria. I cannot give my hon. Friend the Member for Brecon and Radnorshire (Chris Davies) an assurance that it will solely focus on softwood planting, but we are recruiting the person to lead that zone and I am confident they will be in place before the end of year.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I welcome the Minister back, but will she give that Secretary of State of hers a good thump in the direction of taking trees seriously? There is a close relationship between trees and the quality of air that we breathe in our country, and this Government only plan to sort out clean air by 2040. Can we not have more trees, as under the northern forest initiative and the white rose initiative? Will she get that man next to her to do something and do it now?

Dr Coffey: My right hon. Friend the Secretary of State is exceptionally passionate about trees; I think the hon. Gentleman will find that the Secretary of State's constituency has the highest concentration of trees in the country. This issue is not always straightforward. I was at the planting of the first Lowther park estate, where 230,000 trees are due to be planted, and there is more happening up on Doddington moor. Through things such as the woodland creation grant and the creation unit, we will continue to work to get more parts of the country planting quickly.

Dame Caroline Spelman (Meriden) (Con): Mr Speaker, I am sure that in your constituency and mine there will be a lot of tree planting to replace the trees that have to be felled for the construction of High Speed 2. I welcome the Minister back to her role. Will she give serious consideration to the proposal for a new national park at the heart of the west midlands conurbation, so that the biodiversity lost can be offset at scale?

Dr Coffey: The Department for Transport has already issued a grant so that tree planting can start, so that is already under way. Julian Glover is undertaking a review of national parks and we want to understand the future perspective. I am sure that my right hon. Friend's application will be considered carefully.

Mr Speaker: The right hon. Member for Meriden (Dame Caroline Spelman) may not know this, because she does not have eyes in the back of her head, but I can advise her that she has now thoroughly wound up the right hon. Member for Chesham and Amersham (Dame Cheryl Gillan).

Dame Cheryl Gillan (Chesham and Amersham) (Con): Pursuant to the question asked by my right hon. Friend the Member for Meriden (Dame Caroline Spelman), I remind the Minister that HS2 will go through Buckinghamshire and the Chiltern hills. Is she aware that we are contemplating applying for national park status for the Chilterns area of outstanding natural beauty? That would help to protect what ancient woodland and trees are left after HS2 has gone through the middle of Buckinghamshire.

Dr Coffey: I am sure that that consideration will be given serious attention in due course.

Several hon. Members *rose*—

Mr Speaker: Oh, very well; I call Mr Philip Dunne.

Mr Philip Dunne (Ludlow) (Con): I welcome my hon. Friend the Minister back to her place. On the proper stewardship of trees, is she satisfied that the existing arrangements between the Forest Holidays group and the Forestry Commission fully accord with the commission's statutory objectives?

Dr Coffey: We are not happy about the arrangement that the Forestry Commission has entered into with Forest Holidays, which is why my right hon. Friend the Secretary of State has asked Colin Day—the Department's non-executive director and chair of its audit and risk committee—to undertake a review. He will be investigating the matter carefully.¹

Leaving the EU: UK Fish Exports

3. **Mr Ben Bradshaw** (Exeter) (Lab): What steps the Government are taking to ensure that UK fish exports have free and frictionless market access to the rest of Europe in the event of the UK leaving the EU. [906412]

The Secretary of State for Environment, Food and Rural Affairs (Michael Gove): We want to secure an agreement with the European Union that ensures tariff-free and frictionless market access for fisheries products. That is of course a separate negotiation from those on fishing opportunities and access to waters, which will be founded on the UK's legal status as an independent coastal state and will be consistent with fisheries agreements internationally.

Mr Bradshaw: Commiserations on the tennis, Mr Speaker.

Mary Creagh (Wakefield) (Lab): And the football.

Mr Bradshaw: I welcome the Secretary of State's belated recognition that we cannot have frictionless exports to the European Union for our fish and agriculture products if we are not in a single market, as the Chequers agreement recognises. Will he explain why his fellow hard-Brexiteers do not seem to grasp that simple truth? Do they just not care about our fish and agricultural exports?

Michael Gove: It would be wrong to say that the position put forward in the Chequers agreement is analogous to membership of the single market or the European economic area. The right hon. Gentleman will be aware that membership of the European economic area and the single market does not guarantee entirely frictionless access to the European Union for fisheries or other products.

Martin Vickers (Cleethorpes) (Con): Many fisheries and seafood-processing companies in my constituency have come together with other businesses to express interest in the concept of a free port, post-Brexit. Will the Secretary of State assure them that the Government will agree to nothing that would prevent a future Government from designating free ports?

1. [Official Report, 16 July 2018, Vol. 645, c. 2MC.]

Michael Gove: It would be reckless of any Government to do anything that would imperil the ambitions and aspirations exhibited by the exemplary constituents whom my hon. Friend serves so well.

Deidre Brock (Edinburgh North and Leith) (SNP): The White Paper makes it clear that the Government do not intend to change the method for allocating existing quotas. Two thirds of UK fish quotas are controlled by three huge companies, and small boats are being squeezed. Is it not time for the Government to admit that Scotland's fishermen will see absolutely no benefit from Brexit, but will lose access to the world's biggest marketplace?

Michael Gove: Almost everything in that question was wrong, but that does not surprise me because almost everything in the Scottish National party's position on fisheries is wrong. It wants to stay in the European Union and therefore in the common fisheries policy and yet it wants Scotland's fishermen to enjoy all the advantages of being outside the common fisheries policy. Some Members of this House have been accused of wanting to have their cake and eat it. I am afraid that SNP Members want to have a whole chain of bakeries and eat everything in them. If hypocrisy were a term that was allowed to be used in this House, then it would fit the Scottish National party like a bunnet.

Mr Speaker: There is no prohibition on the use of the term. It can apply to a collective, but not to an individual. The judgment as to whether the Minister is on the right side of the line falls to me. Happily, from the point of view of the right hon. Gentleman, he has not erred.

Sir Desmond Swayne (New Forest West) (Con): Persuade me that the common rulebook is not the *acquis* by another name.

Michael Gove: The *acquis* is, of course, a French term and the common rulebook is an Anglo-Saxon one, and therefore they are happily distinct. I know that my right hon. Friend is fond of Anglo-Saxon terms and pithy ones at that. One thing I would say about the common rulebook is that it governs goods and it governs agri-foods only in so far as is necessary to have free and frictionless access. In that respect, we remain, and will be, a sovereign nation.

Leaving the EU: Agriculture and Fisheries Management

4. **Mrs Sheryll Murray** (South East Cornwall) (Con): What plans he has to reform agriculture and fisheries management when the UK leaves the EU. [906413]

8. **Maria Caulfield** (Lewes) (Con): What plans he has to reform agriculture and fisheries management when the UK leaves the EU. [906419]

The Secretary of State for Environment, Food and Rural Affairs (Michael Gove): Mr Speaker, thank you for your indulgence on the line call earlier in saying that the ball was in.

The Government's consultation setting out the policy framework for agriculture in England after the UK leaves the EU closed on 8 May. All responses have been analysed and will be used to inform future policy. A report of the findings will be published in due course. Plans for the reform of fisheries management when the

UK leaves the EU were set out in the "Sustainable fisheries for future generations" White Paper, which was published on 4 July.

Mrs Murray: What post-Brexit safeguards are being put in place to stop EU vessels registering in the UK simply to farm our waters of fish, as happened in the *Factortame* case, if there is to be a common rulebook in the agriculture and food sector?

Michael Gove: The hon. Lady raises some very important points. The first thing to say is that the *Factortame* case was a case that relied on the supremacy of the European Court of Justice. The supremacy of the European Court of Justice will end under the Government's proposals for leaving the European Union; that is quite clear. The second thing is that the common rulebook on agri-food applies only to those sanitary and phytosanitary requirements that allow us frictionless access to the EU. That means that we will be outside the common agricultural policy and outside the common fisheries policy. It is also the case that economic link conditions can be reformed in such a way to meet the needs that she points out.

Maria Caulfield: What consideration has been given to changing the fishing-quota-based system post Brexit to either a percentage-based system or a days-at-sea-based system, which would significantly help my fishermen in Newhaven?

Michael Gove: My hon. Friend stands up very well for the fisher people of Newhaven. One thing we can do outside the common fisheries policy, as the fisheries White Paper spells out, is reallocate additional quota and we can also—and we propose to do this—pilot days-at-sea or effort-based methods of fisheries control. We hope to work with inshore fishermen such as those whom she represents so well.

Melanie Onn (Great Grimsby) (Lab): The truth is that the Government could be taking action today to support the UK's catching sector. Instead, they are sending the most lucrative licences out of the UK. Why?

Michael Gove: Well, we are in the European Union at the moment and governed by its rules and that is why the people of Grimsby voted to leave.

Mr Alistair Carmichael (Orkney and Shetland) (LD): When will the farmers and crofters in my constituency know the shape and content of the UK-wide framework for the payment of agricultural support post Brexit?

Michael Gove: There are many important things for the farmers whom the right hon. Gentleman represents, but the details of how payments will be paid have been laid out by the Scottish Government, by the relevant Cabinet Secretary, Fergus Ewing, and I know that he is consulting on those proposals.

David Duguid (Banff and Buchan) (Con): As my right hon. Friend will be profoundly aware, the EU Commission wishes to maintain guaranteed and continued access to UK waters even after we leave the EU and the common fisheries policy. I am pleased that, in the fisheries White Paper published last week and in discussions with fishermen during his visit to Peterhead in my

constituency last week, he confirmed that that is not the position of this Government. Will he confirm again today that, as negotiations with the EU continue, this Government will not allow the Commission to conflate its access to British waters with our access to EU markets?

Michael Gove: My hon. Friend puts the case absolutely correctly.

Dr David Drew (Stroud) (Lab/Co-op): It is a delight to see the DEFRA team still in their place, but may I offer a special welcome to the Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for Suffolk Coastal (Dr Coffey), who we have missed? We hope that she enjoys her time back as part of the team.

Will the Government tell us exactly who they can sign a free trade deal with, apart from the EU, whereby we do not degrade either environmental protection or animal welfare standards?

Michael Gove: Lots of countries.

Monopoly Water Providers: Senior Executive Pay

5. **Ian C. Lucas (Wrexham) (Lab):** What the Government's policy is on the level of remuneration of senior executives of monopoly water providers. [906414]

The Secretary of State for Environment, Food and Rural Affairs (Michael Gove): On 1 March I set out the need for water companies to respond to public concerns over executive pay and a number of other practices. The Government fully support Ofwat's reforms that require water companies to ensure that executive pay is linked to customer service.

Ian C. Lucas: The chief executive of Severn Trent earned £2.45 million last year. As a Wrexham customer I have to contribute to that salary, following the hostile takeover of our local water company. Does the Secretary of State, in his new progressive form, agree that Severn Trent should follow the example of the John Lewis Partnership and link the pay of its highest paid chief executives to those within the business who are lower paid?

Michael Gove: It will not surprise the hon. Gentleman to know that I am a huge fan of the John Lewis Partnership and the leadership that its executives have shown. This Government and this DEFRA team have taken stronger action than previous Governments and previous teams have done in order to ensure that water companies smarten up their act, that they deal not just with executive pay, but with some of the byzantine financial structures that have not worked in consumer interests in the past, and that they invest more in improving the environment and keeping bills low.

Mr Philip Hollobone (Kettering) (Con): Far too much water in this country is wasted by it leaking out of water pipes. Why on earth can we not link the pay of senior water company executives to their achievement of leakage reduction targets?

Michael Gove: Ofwat, the regulator, has been stringent in the steps that it has taken in order to ensure that performance will be linked to pay in the future.

Holly Lynch (Halifax) (Lab): Mr Speaker, may I first join you and others in welcoming back the Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for Suffolk Coastal (Dr Coffey) to her rightful place at the Dispatch Box?

I am afraid that prior to the "beast from the east" Ofwat made it perfectly clear that it had no interest in taking direct action on executive pay, tax structures or dividends. May I say how delighted Labour Members are that, after months of raising this very issue, Ofwat has finally U-turned on its position? Will the Secretary of State explain why it has taken Ofwat so long to take this action and tighten up the weak regulation that has let customers down so badly?

Michael Gove: I am so glad that the hon. Lady welcomes the action that Ofwat is taking. Ofwat has superb leadership and I am four-square behind that leadership in ensuring that we get a better deal from water companies.

Waste Criminals

6. **James Cartlidge (South Suffolk) (Con):** What steps he is taking to tackle waste criminals. [906416]

The Secretary of State for Environment, Food and Rural Affairs (Michael Gove): Since 2014, the Government have given the Environment Agency an extra £60 million to tackle waste crime, as well as additional powers to take stronger enforcement action. This year we consulted on further measures to prevent crime at waste sites and I have commissioned a review of serious and organised crime in the sector. The review's recommendations will inform our strategic approach to waste crime in the forthcoming resources and waste strategy.

James Cartlidge: One area about which I get considerable correspondence from my constituents is that of fly-tipping. Does the Secretary of State agree that it is not only morally reprehensible, but a threat to the environment and our wildlife? Will he also outline what the Government are doing to tackle fly-tipping, particularly in the countryside?

Michael Gove: My hon. Friend is absolutely right; fly-tipping is morally reprehensible and does have environmental costs. That is why a review, being led by Lizzie Noel, one of the non-executive directors at DEFRA, and supported by Chris Salmon, former police and crime commissioner for Dyfed-Powys, will look at exactly what powers and sanctions are required to deal effectively with this scourge.

Mr Clive Betts (Sheffield South East) (Lab): Fly-tipping in all its forms is unacceptable, but it is particularly unacceptable when businesses try to avoid costs by dumping commercial waste on unauthorised sites. In such circumstances, does the Secretary of State feel that those businesses should have their vehicles confiscated, alongside any other assets that they use to facilitate this unacceptable practice?

Michael Gove: The hon. Gentleman, like me, is tough on crime and tough on the causes of crime. Therefore, we will give consideration to his recommendation in the review that is being led by Lizzie Noel.

Plastic Waste Recycling

7. **Liz Twist** (Blaydon) (Lab): What recent estimate he has made of the amount of plastic waste that the UK sends overseas for recycling. [906418]

9. **Jessica Morden** (Newport East) (Lab): What steps he is taking to reduce the amount of plastic waste that the UK sends overseas for recycling. [906420]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): Her Majesty's Revenue and Customs estimates that in 2017 there were exports of 661,000 tonnes, compared with 790,000 the year before. Since China banned imports of certain plastic waste at the start of this year, exports to China have fallen significantly, but exports to other countries have risen. We want to ensure more and better-quality plastic recycling in the UK, and we will set out measures for this in our resources and waste strategy later this year.

Liz Twist: Will the Minister give the House more detail on the likely impact on UK plastic pollution of China's and Thailand's decision to restrict UK dry recycling imports?

Dr Coffey: As I said, exports to China have fallen drastically, but other countries such as Turkey and Vietnam have taken on more of the plastic waste. Our issue has been more with the paper waste that China used to take from us. It is proving a challenge to get the price that it used to attract.

Jessica Morden: Wales has the best recycling rate in the UK and the second best in Europe, and the Welsh Labour Government have the stated aim of being the first "refill nation". Could not the Department learn a lot from Wales, including on plastics that we send abroad, and incorporate that in the upcoming resources and waste strategy for England?

Dr Coffey: Indeed. I give credit to the Welsh Government for their progress, as I have at the EU Environment Council in the past, and I assure the hon. Lady that we have been looking carefully at what they are doing.

Mary Creagh (Wakefield) (Lab): It is vital that we recycle more of our plastic waste here at home and create jobs and growth in every nation and region of this great country. I welcome the Secretary of State's commitment to my Committee yesterday to recycle half of England's 35 million asthma inhalers by 2020, not only because of the damaging plastic but because of the damaging fluorinated gases—greenhouse gases—that they release into the atmosphere. Will the Minister enshrine the principle of extended producer responsibility into law through the waste strategy so that more producers are responsible for the waste they produce?

Dr Coffey: Extended producer responsibility is already part of the legal framework that exists today. I assure the hon. Lady that EPR and the PRN—packaging recovery note—are being very carefully looked at, but she will have to wait until later in the year.

Farming: Environmentally Sustainable Produce

10. **Colin Clark** (Gordon) (Con): What steps he is taking to enable farmers to grow produce in a more environmentally sustainable way. [906421]

The Secretary of State for Environment, Food and Rural Affairs (Michael Gove): The Government have pledged to work with farmers, food producers and environmental experts across Britain to devise a new agri-environment scheme to be introduced in the next Parliament.

Colin Clark: What provisions is my right hon. Friend's Department making to maintain high environmental standards in farming in case of no deal?

Michael Gove: The Department is undertaking significant steps to ensure that high environmental standards are maintained not just in farming but across the piece in the event of the country leaving the European Union in March 2019 without a deal, but of course it remains the commitment of this Government to secure the best possible deal for Britain.

Kerry McCarthy (Bristol East) (Lab): Will the Secretary of State support the recommendations of the agroforestry review by the Soil Association and the Woodland Trust and put on-farm tree planting at the centre of any environmental land management scheme?

Michael Gove: We absolutely recognise the vital importance of integrating forestry with farming on appropriate sites and at appropriate times.

Leaving the EU: Food Quality Standards

11. **Danielle Rowley** (Midlothian) (Lab): What plans the Government have to maintain UK standards on food quality and safety in trade agreements concluded after the UK leaves the EU. [906422]

The Minister for Agriculture, Fisheries and Food (George Eustice): As a country, we are proud of our high food safety and animal welfare standards, and we have no intention of undermining our reputation for quality by lowering our food and animal welfare standards in pursuit of trade deals.

Danielle Rowley: The Government are demonstrating today that they are happy to roll out the red carpet for unpalatable arrivals from the US, so can the Minister confirm that the Prime Minister's Chequers agreement means that we will hold a stronger line when it comes to rejecting chlorinated chicken imports?

George Eustice: The existing food safety provisions on issues such as chlorinated chicken will come across through the European Union (Withdrawal) Act 2018. We have always been clear that we will not water down our standards in pursuit of trade deals. The general approach is that if one is a guest in another country seeking to do business there, then one should adopt and abide by the customs and rules in those markets. That is what we do when we seek access to foreign markets, and that is what countries will have to do when they seek access to our markets.

Air Quality

12. **Rachael Maskell** (York Central) (Lab/Co-op): What the implications are for his policy on air quality of the report of the Committee on Climate Change, “Reducing UK emissions—2018 Progress Report to Parliament”.
[906424]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): Air pollution and climate change are closely linked. Our strategy for cleaner air recognises that our “road to zero” strategy tackles several of the issues that were raised in the report. In addition, our future energy, heat and industrial policies, including phasing out coal-fired power stations and improving energy efficiency, show that we can do stuff by working together for air quality and climate change.

Rachael Maskell: The Committee on Climate Change has been scathing about the Government’s abysmal response to the UK’s seriously poor air quality, citing the fact that we are now on course to miss the fourth and fifth carbon budgets. Many of us struggle to breathe due to air pollution, and around 50,000 people die prematurely each year, while the Government have spent hundreds of thousands of pounds defending their record in the courts. When will they get a grip and put forward a workable and funded air quality strategy of the sake of my residents in York?

Dr Coffey: Overall air quality has actually been improving, and the hon. Lady will be aware that our legal challenge is on roadside nitrogen dioxide concentration. I am sure she will want to respond to the clean air strategy, which is ambitious and will achieve a lot of the outcomes we all want, wherever we live in this country, so that we have better air.

13. [906425] **Nigel Huddleston** (Mid Worcestershire) (Con): What more can the Government do to promote more environmentally friendly diesel fuel and diesel vehicles?

Dr Coffey: The Government’s “road to zero” strategy, published earlier this week, provides clarity on the role that cleaner diesel vehicles can play in reducing carbon dioxide emissions and meeting ever more stringent air quality standards. My hon. Friend will be aware that we continue to have the policy to end the sale of new conventional diesel and petrol cars and vans by 2040.

14. [906426] **Lilian Greenwood** (Nottingham South) (Lab): As the Minister has just acknowledged, diesel road vehicles are one of the primary causes of air pollution. Reducing our reliance on cars would not only reduce harmful emissions but help to tackle climate change, congestion and noise pollution. Those are problems not just in urban areas but in rural areas. Is she aware of the Campaign for National Parks research into making car-free travel to and within our national parks easier? Will she support its call for a smarter travel national park pilot?

Dr Coffey: I am not aware of that call about the national parks, but I am sure that the hon. Lady recognises the £3.5 billion being invested in improving air quality—a

lot of it in changing transport mode to more buses, which I know she is a fan of, and through more cycling and walking. We continue to want to implement that.

Sue Hayman (Workington) (Lab): The tragic death of a nine-year-old is the first death to be directly linked to illegal levels of air pollution. The lawyer representing the family has said:

“The Government has willingly presided over illegal EU air quality limits since 2010 and this ongoing failure is costing lives.” Does the Secretary of State agree?

Dr Coffey: The death from asthma of Ella Kissi-Debrah is absolutely tragic. It is important to say that this is part of an ongoing legal assessment, and it has not yet been conclusively linked to air pollution, but I am fully aware of the impact that poor air quality can have, and that is why this Government are acting on it.

Sue Hayman: According to UNICEF, more than 4.5 million children in the UK are growing up in areas with toxic levels of air pollution. It is unacceptable that the most vulnerable members of society, who contribute the least to air pollution, are the ones suffering most from its effect. Will the Minister accept that this is a children’s health crisis? What urgent targeted action and funding to reduce child exposure have the Government committed to?

Dr Coffey: I recognise that this is a challenge, and that is why the Government are addressing it so clearly. The clean air strategy has come out, and the issue that UNICEF refers to is particulate matter. Under current EU rules, we are not in any way breaching the levels set out, but we have recognised that we have to take action. Some 40% of particulate matter comes from domestic burning, which is why we will be consulting on measures later this summer.

Topical Questions

T1. [906427] **Sir Patrick McLoughlin** (Derbyshire Dales) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Environment, Food and Rural Affairs (Michael Gove): The future of food production has to be at the heart of DEFRA’s work. That is why I am very pleased that, in conversations I have been having over the past two weeks with our lead non-executive director, Henry Dimbleby, he says he is drawing up plans to envisage how a food strategy can operate across Government. I look forward to updating colleagues on the progress of that work.

Sir Patrick McLoughlin: I very much welcome the appointment of Julian Glover to do a review of national parks. Will my right hon. Friend say when he expects that review to report? Does he agree that it is very important that national parks are not held back to become museums, but become thriving places for people to invest and develop houses in the right places?

Michael Gove: I am grateful for my right hon. Friend’s comments. He is absolutely right; Julian Glover is an outstanding individual who I know will conduct a superb piece of work, which we expect to publish in the latter

half of next year. My right hon. Friend is also right to say that the reason our national parks are so successful is that they are not museums; they are active, working places, and individuals make sure that they are places of beauty that draw so many visitors, but are also places of food production and economic activity.

T5. [906433] **Graham Stringer** (Blackley and Broughton) (Lab): A recent paper by the International Solid Waste Association has shown that much of the plastic we declare as recycled, when it is exported to China and other Asian countries, ends up in rivers and accounts for at least 25% of the plastic pollution going into the seas. Is the Secretary of State aware of that, and what action does he intend to take to improve the situation?

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): The Environment Agency is the regulator in this regard, and operators are bound to ensure that what is exported gets recycled appropriately. I have not looked at that report yet, but I am happy to look into this and write to the hon. Gentleman.

T2. [906428] **Chris Davies** (Brecon and Radnorshire) (Con): When my right hon. Friend the Secretary of State visited my constituency last month, he met some outstanding members of both Radnorshire and Breconshire young farmers clubs. Will he confirm both to them and to the House that those young farmers have a future in farming post Brexit?

Michael Gove: I remember my visit to Wales with affection, and I am very much looking forward to revisiting my hon. Friend's constituency, I hope, in under a fortnight's time for the royal Welsh show. Those young farmers are outstanding young men and women, and it is my responsibility to make sure that their commitment both to food production and to high environmental standards is supported at every level. May I also congratulate the Welsh Government on their proposals for providing support for farming in the future? I look forward to working with them.

Dr Rupa Huq (Ealing Central and Acton) (Lab): The Secretary of State scored a major coup in being the first to interview President-elect Trump. As the Secretary of State has since become a born-again green and the President will touch down on these shores today, will the Secretary of State use all his famous skills of tact and persuasion, as well as that pre-existing special relationship, to impress on the President that climate change is an existential threat to our planet and to persuade him to reverse his disastrous decision to pull out of the Paris climate change accords?

Michael Gove: I am very grateful to the hon. Lady for being so generous about some of the activities I undertook when I had a sabbatical from the Front Bench earlier in this Parliament. Of course, she is very flattering. I do not know that I have the diplomatic skills to bring the President of the United States into the same space that she and I are in when it comes to fighting climate change, but believe me, I will do my best.

Mr Speaker: The Secretary of State should not undersell himself; he really should not. Do not break the habit of a lifetime.

T3. [906430] **Fiona Bruce** (Congleton) (Con): What steps are the Government taking to help farmers and rural businesses in Cheshire to boost their productivity?

The Minister for Agriculture, Fisheries and Food (George Eustice): My hon. Friend raises a very important point. Earlier this year, we invited calls to a small grants scheme to promote farm productivity. It was over-subscribed, so we have put in an additional £7 million, making a total of £23 million. We intend to have additional calls later this year.

Daniel Zeichner (Cambridge) (Lab): Yesterday, senior industry leaders were in Westminster as part of the Prince of Wales's corporate leaders group, which is facilitated by the Cambridge-based Cambridge Institute for Sustainability Leadership. Industry will be key in tackling the environmental challenges of the future, but when will the Government acknowledge that far from being a burden, intelligent regulation is the key to environmental innovation?

Michael Gove: I think the Government have always acknowledged that. In the spirit of your comments about not underselling myself, Mr Speaker, I refer the hon. Gentleman to the speech I gave at the Policy Exchange four weeks ago on the need to reform capitalism. I am afraid that that is something only the Conservatives would undertake, because while we can reform capitalism in the interests of the country, the hon. Gentleman's right hon. Friend the leader of the Labour party would destroy capitalism and, with it, torpedo this country's prosperity.

T4. [906432] **Andrew Lewer** (Northampton South) (Con): Given some worrying air quality hotspot alerts in my constituency and the projected significant increase in vehicle volume, what extra measures will the Department deploy to help my local authorities combat those pollution hotspots?

Dr Thérèse Coffey: The joint air quality unit provides advice to councils that are seeking support. I suggest that councils have many powers already, but this will largely be a case of working closely with the county council to try to make sure that the traffic flows, and I am sure that that will improve air quality in hon. Friend's area.

Several hon. Members *rose*—

Mr Speaker: It seems only right, in Environment questions, to call someone called Mr Ben Lake.

Ben Lake (Ceredigion) (PC): Diolch, Mr Speaker.

What consideration has the Secretary of State made of ways in which the UK Government might intervene to alleviate the pressures faced by farmers across Wales as a consequence of the recent dry weather, particularly the pressures on the already dwindling fodder reserves?

George Eustice: We will hold discussions with our colleagues in the devolved Administrations on those issues. Only a few months ago we sought and achieved a derogation from the EU linked to wet weather. I am now aware that in many parts of the country, including

England and Wales, there are issues linked to dry weather, and we are considering seeking derogations from certain schemes to take account of that problem.

T6. [906434] **Sir Oliver Heald** (North East Hertfordshire) (Con): My right hon. Friend will be aware of the happy news that Finn's law, the Animal Welfare (Service Animals) Bill, achieved its Second Reading last week. Once enacted, it will make it easier to convict people who attack police dogs and other service animals. The Secretary of State has consulted on increasing the sentence for such attacks to five years' imprisonment. Is it possible to have an update on the timetable for that so that we know when we can expect it?

Michael Gove: I congratulate my right hon. and learned Friend on his tenacity and success in ensuring that service animals will be better protected as a result of the Bill that he is bringing forward. We want to ensure better protection for all God's creatures, which is why we will bring forward proposals to increase the sentences available to the courts for those who commit the most extreme acts of animal cruelty.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Has the Secretary of State made any progress in understanding what is happening on our farming land and in our countryside that causes so many species of birds and other animals to disappear?

Michael Gove: The hon. Gentleman makes a good point. The farmland bird index shows that over the past 30 or 40 years there has been a precipitous decline in some species, although there has been an increase in others. Many factors are at work—sometimes the way the land has been farmed has had an impact, but there are also other factors, including climate change. At the Environmental Audit Committee yesterday the hon. Member for Brighton, Pavilion (Caroline Lucas) raised a number of issues that we need to address, including through education, to ensure that conservation, biodiversity and environmental enhancement are valued not just by the Government but by us all.

Robert Courts (Witney) (Con): In a rural area such as west Oxfordshire, the livelihood of farmers is of enormous importance, as is leaving our environment in a better state than we found it. What are Ministers doing to ensure that farmers are protected while improving our environment?

Michael Gove: My Department and Ministers personally carry out extensive consultation with farmers and those who work alongside them. In the agricultural shows that I have had the opportunity to visit over the course of this summer, and in meetings with the National Farmers Union and others, I have been struck by the commitment that farmers have not just to food production, but to the highest environmental standards for the future.

Kerry McCarthy (Bristol East) (Lab): I do not know whether the Environment Secretary has had a chance to look at Oxfam's excellent new report, "Behind the Barcode", which looks at modern slavery and human rights abuses in the food supply chain. I know that it is not his primary responsibility to consider issues such as modern slavery,

but given that it is so prevalent in our food system, what conversations has he had with his colleagues about trying to stamp it out?

Michael Gove: I have had conversations with the Secretary of State for Business, Energy and Industrial Strategy and the Home Secretary about ensuring that high standards are maintained—not just environmental standards, but also social and labour protection standards—at every stage in the food chain. I will endeavour to look at that report and ensure that my colleagues across Government are acquainted with its contents.

Jeremy Lefroy (Stafford) (Con): What assessment has the Minister made of the impact of the current weather on farmers across the country, on future food prices, and particularly on the viability of small farms?

George Eustice: As I said earlier, there have been challenges with the dry weather, particularly for cereal crops that in some cases are having to be harvested early. There may be a knock-on impact on the availability of winter forage and straw, so we continue to monitor the situation closely. Farmers are used to weather events, which are a common feature of agriculture. Just a few months ago we had too much wet weather, and we now face problems with dry weather.

Tom Pursglove (Corby) (Con): The plastics industry in Corby is not only a significant employer but it is keen to engage with the Government and try to identify solutions and innovate around the issue of non-recyclable plastics. What steps will the Government take to foster that engagement?

Dr Coffey: I and my officials have met a variety of companies to discuss this issue, and if they feel that they have not yet been consulted, I would be more than happy to hear from them.

CHURCH COMMISSIONERS

The right hon. Member for Meriden, representing the Church Commissioners, was asked—

Ordination Numbers

1. **Diana Johnson** (Kingston upon Hull North) (Lab): To ask the right hon. Member for Meriden, representing the Church Commissioners, what progress the Church of England has made on its target to increase ordinations by 2020; and what proportion of recent new ordinands are women. [906397]

The Second Church Estates Commissioner (Dame Caroline Spelman): I would first like to congratulate all those ordained deacon or priest last month. Within the hon. Lady's diocese of York, four women and three men were ordained priest, alongside eight women and two men who were ordained deacon. Nationally, the Church of England is on target to increase the number of people who are recommended for training in 2020 by 50%.

Diana Johnson: I thank the right hon. Lady for that answer—it is good to hear that the stained glass ceiling is being well and truly smashed. However, is it not about time that, in the evolution of the established Church of England, the special arrangements that were put in place for those who do not accept the equality and ministry of women were abandoned?

Dame Caroline Spelman: The Church has come to an accommodation on that issue. I think that the gradual increase in the number of women who are coming into ministry, and people's experience of being ministered to by a female priest, is in itself changing social attitudes in a holistic way. I expect to see more and more women coming into post, and therefore more and more people getting used to seeing them there.

Mr Philip Hollobone (Kettering) (Con): What are the main barriers to women becoming ordinands in the Church of England?

Dame Caroline Spelman: There are no barriers to women becoming ordinands in the Church of England. As I have just explained, there has been a sharp increase in the number of women coming into ministry, and the overall number of ordinands entering training has increased by 14% over the past two years. The number of women under the age of 32 entering training has actually increased by 27%, which shows that it is an increasingly attractive vocation for younger women who look forward to a career in the Church as a female priest.

Dr David Drew (Stroud) (Lab/Co-op): I hear what the right hon. Lady says, but will she also consider the impact of the number of churches that new ordinands have to look after? It is a real worry, given the pressure we are putting on these poor people, particularly if they are not full time, in order to carry out their ministry.

Dame Caroline Spelman: It is obviously a pressure for male and female priests, who might find themselves in charge of eight or 10 very small, rural ministries. The Church has looked at how sustainable that is, and the status of some churches has been changed to that of festival churches, which are open only on the high days and holy days of Christmas and Easter, to try to ensure that the workload is sustainable. It is something the Church Commissioners have very much in mind, alongside training more ordinands.

HOUSE OF COMMONS COMMISSION

The right hon. Member for Carshalton and Wallington, representing the House of Commons Commission, was asked—

Electronic Voting Systems

2. **Alan Brown (Kilmarnock and Loudoun) (SNP):** To ask the right hon. Member for Carshalton and Wallington, representing the House of Commons Commission, what representations the Commission has received on the potential installation of electronic voting systems in the Chamber as part of the (a) restoration and renewal programme and (b) northern estate programme. [906398]

4. **Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP):** To ask the right hon. Member for Carshalton and Wallington, representing the House of Commons Commission, what representations the Commission has received on the potential installation of electronic voting systems in the Chamber as part of the (a) restoration and renewal programme and (b) northern estate programme. [906400]

Tom Brake (Carshalton and Wallington): The Commission has received various oral representations in previous Question Times. At its meeting on 14 May 2018, and in the absence of any House determination of a change in voting procedure, the Commission endorsed a plan for a House of Commons decant that envisages a Commons decant Chamber and two Division Lobbies, on the basis of a like-for-like layout, with adjustments to improve accessibility for Members and visitors to the Public Gallery. It will be a matter for the shadow sponsor board, once appointed, to consult on the requirements of the Palace. The procedures of the House remain the responsibility of the House itself.

Alan Brown: Last week MPs were concerned that multiple votes interrupted their watching of the England match, but the more fundamental issue is that multiple votes eat into valuable debating time, as happened with the European Union (Withdrawal) Bill. We were left only 15 minutes for a so-called debate on the UK Government's power grab. Surely it is time to consider electronic voting, and the decant could be the first step in that process, instead of having a like-for-like, outdated set-up.

Tom Brake: I thank the hon. Gentleman for his question. At the risk of sounding like a broken record, I remind the House that it is a matter for the Procedure Committee. Members who ask me this question should perhaps make a submission to the Procedure Committee so that it can consider their proposal.

Drew Hendry: Is the opportunity of Government Back Benchers to have a cosy chat in the Division Lobby with Ministers a good enough reason to maintain the antiquated voting system, which costs not only a huge amount of money but a great deal of valuable parliamentary time?

Tom Brake: I suppose that matter would be entirely appropriate for him to include in the submission to the Procedure Committee as perhaps a reason why the House might want to change its procedures on this issue.

Palace of Westminster: Repair and Refurbishment

3. **Deidre Brock (Edinburgh North and Leith) (SNP):** To ask the right hon. Member for Carshalton and Wallington, representing the House of Commons Commission, what recent estimate the Commission has made of the cost of repairing and refurbishing the Palace of Westminster. [906399]

Tom Brake: The Commission has made no such estimate. It will be for the sponsor board and delivery authority, which the two Houses agreed earlier this year to establish, to develop a proposed scope of works and budget for agreement by Parliament.

Deidre Brock: With the eye-watering bill estimated so far for here, the similarly-eye watering bill for Buckingham Palace, and the biggest bill of all, the bill we will pay for Brexit, is it any wonder that the public are losing confidence in politicians? Is there not still time to decide to move out of London to a purpose-built modern Parliament with sensible things such as electronic voting? If not, is there at least a team looking at how to cut the cost of this nonsense?

Tom Brake: I am sure that the hon. Lady will be aware that the possibility of moving out of London has been considered. The joint Commission that was set up through both Houses looked at that matter and dismissed it as a proposal. The sponsor body and the delivery authority will have responsibility for making sure that the costs of the project are kept to a minimum while delivering a prestigious project on a world heritage building.

Sir Patrick McLoughlin (Derbyshire Dales) (Con): Is that not exactly the point? This is a world heritage building and if it was in the ownership of any individual, the state would require them to keep it up to a certain standard. That is exactly what we have to do as the owners of this building.

Tom Brake: Of course we have to. I am sure that Members on both sides of the House will want to ensure that the sponsor body and the delivery authority between them deliver exactly the sort of project that the right hon. Gentleman set out.

Electoral Commission Committee

The hon. Member for Houghton and Sunderland South, representing the Speaker's Committee on the Electoral Commission, was asked—

Referendum Rules

5. **Dame Cheryl Gillan** (Chesham and Amersham) (Con): To ask the hon. Member for Houghton and Sunderland South, representing the Speaker's Committee on the Electoral Commission, what proposals the Electoral Commission has for changing the rules on referendums. [906401]

Bridget Phillipson (Houghton and Sunderland South): After the June 2016 referendum, the Electoral Commission recommended improvements to modernise electoral law. Recommendations covered the consolidation of referendum legislation, the regulated period, rules for campaigning and sanctions. The Commission also recently recommended changes to improve the transparency of digital campaigning at future referendums and elections. Further details can be found on its website.

Dame Cheryl Gillan: I thank the hon. Lady for that answer. She is obviously aware that questions surrounding changes to the rules on elections and referendums are at the heart of some of the political reform debates that are currently occurring here and around the world. Is she aware that this week, the University College London Constitution Unit, under the leadership of Professor Meg Russell and Dr Alan Renwick, has published the results of the Independent Commission on Referendums, which has been sitting for the last nine months? Will the hon. Lady look at the recommendations in the report and see whether she can add those to the list of reforms that this House must consider before another referendum is held?

Bridget Phillipson: I am very grateful to the right hon. Lady for raising this issue. The Electoral Commission welcomes the report that she refers to and shares the view that the Government must take steps to modernise electoral law, especially on transparency and digital campaigning. It chimes with the Electoral Commission's

report on digital campaigning concerning areas such as misinformation, the misuse of personal data and overseas influence. I am sure that she will continue to impress on Ministers the need for action.

Mr Ben Bradshaw (Exeter) (Lab): If the ultimate findings of the Electoral Commission investigation into law-breaking by the leave campaign are as serious as the version that was leaked disgracefully by the leave campaign, will my hon. Friend make it absolutely clear to the Electoral Commission that this House and the public will expect full criminal investigations by the police and the National Crime Agency into this alleged wrongdoing, so that the public can have confidence in the integrity of our referendum and electoral system?

Bridget Phillipson: The Commission has repeatedly called for an increase to the maximum penalty that it can impose on political parties and other campaigners for a breach of the rules. On the investigation that my right hon. Friend refers to, the Vote Leave organisation took an unusual step in sharing its views on the Electoral Commission's initial findings. The Commission will give due consideration to any further representations made and will, at the earliest opportunity, publish a thorough and detailed closing report to provide a full and balanced account both to the public and to Parliament.

Church Commissioners

The right hon. Member for Meriden, representing the Church Commissioners was asked—

Church of England Schools: Creative Learning

6. **Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): To ask the right hon. Member for Meriden, representing the Church Commissioners, what steps the Church of England is taking to encourage the development of creative learning in its primary schools. [906402]

The Second Church Estates Commissioner (Dame Caroline Spelman): As the largest provider of education in England, with 4,700 schools, the Church's "Vision for Education" sets out a commitment to educate the whole child. That includes nurturing

"academic habits and skills...and creativity across the whole range of school subjects".

This involves a commitment to educating for character rather than a sole focus on academic subjects.

Mr Sheerman: Those are words that give me great encouragement, but is the right hon. Lady aware that in many schools the art of creating and making things has almost disappeared with the abolition of design and technology from the curriculum? Will she look into the Victoria and Albert museum's new education foundation? It is doing very interesting work on making things in schools—and, of course, it is led by a chap called Tristram Hunt.

Dame Caroline Spelman: That is a name with which we are all familiar. I found that the only way of maintaining any sort of control in a Sunday school class was to do arts and crafts, which seemed to absorb everyone. I am a strong advocate of that kind of practical creativity, but I will certainly look into what the V&A is advocating.

Modern Day Slavery

7. **Bob Blackman** (Harrow East) (Con): To ask the right hon. Member for Meriden, representing the Church Commissioners, what progress the Church of England has made on its work to tackle modern-day slavery; and what steps the Church of England is taking to educate school children on that issue. [906403]

Dame Caroline Spelman: I am very grateful for that question, because it allows me to pay tribute to the work of the Bishop of Derby, who has just announced his retirement, but who has been the Church of England lead in the House of Lords in tackling modern-day slavery. It was Bishop Alastair who pioneered the idea of creating an information pack for children in schools so that they could understand the horror of the history of slavery and this country's involvement in it. He did that in the diocese of Derby, but we have learnt a great deal from it, and the scale of the initiative will now be extended.

Bob Blackman (Harrow East) (Con): On a recent visit to Romania, the ministry in charge of Romanians abroad was very concerned about the number of women who were being trafficked for sexual purposes across the European Union and the number of children who were being forced into modern-day slavery. What more can the Church do to highlight the problem and combat it?

Dame Caroline Spelman: The Church of England has always had a great heart for the marginalised, the excluded and the vulnerable. Through the "We see you" campaign, we are starting to raise awareness in society of what we often do not see around us. The Church is working in all schools to raise children's awareness of this modern form of slavery, together with the charity Just Enough UK—as much as anything, to help them to protect themselves from becoming victims.

10. [906406] **Michael Tomlinson** (Mid Dorset and North Poole) (Con): Commercial sexual exploitation involving trafficking is widespread. Does my right hon. Friend agree that it is time to consider supporting the Nordic model and making it illegal to pay for sexual services, in order to reduce such exploitation?

Dame Caroline Spelman: My personal view is that the approach taken by countries such as Sweden, Norway and, more recently, Canada and Ireland to outlaw paying for sex is a policy worth looking at, and is infinitely preferable to the approach taken in countries such as Germany, which has liberalised prostitution. That is a personal view and not necessarily the view of the Church of England, but it can have escaped no one that sexual exploitation is a horrific aggravation of the crime of modern slavery.

Mr Speaker: I am sure that the hon. Member for Ludlow (Mr Dunne) wants to ask about the Clewer initiative, on which he has a related question which might otherwise not be reached. I am all agog. Let us hear the fellow.

11. [906407] **Mr Philip Dunne** (Ludlow) (Con): I am most grateful to you, Mr Speaker, particularly for mentioning the Churches' Clewer initiative, which encourages members

of the public to use an app. Admirable though that is, does my right hon. Friend think that it should have been left to the Churches to take the initiative to protect vulnerable people from exploitation in unregulated hand car washes, or should regulatory bodies themselves have taken such a step?

Dame Caroline Spelman: My hon. Friend is an assiduous member of the Environmental Audit Committee, which has launched an inquiry into abuses in unregulated car washes, and I can only commend his work and that of the Committee. Hopefully, in return, he can commend the ingenuity of the Church of England in making a leap into the digital age and developing an app that helps all of us to identify circumstances which we suspect may involve slavery or exploitation. That is but one example, and I imagine that other apps could be created that would really help us to stamp out modern-day slavery in our society.

Churches: Metal Theft

8. **Chris Davies** (Brecon and Radnorshire) (Con): To ask the right hon. Member for Meriden, representing the Church Commissioners, what advice is being made available to churches to better protect their buildings against metal theft. [906404]

Dame Caroline Spelman: Since I last answered a question on this subject in April the largest concentration of reported attacks on churches for metal theft has been in Leicestershire and Northamptonshire. While we are starting to see small numbers of people being prosecuted for these crimes, the value of the thefts is considerable and the cost of replacement and repair is high.

Chris Davies: Can my right hon. Friend confirm what partners the Church of England is working with to tackle metal thefts across its parishes?

Dame Caroline Spelman: The Church cannot do this on its own, and it works very closely with Historic England, the police and its insurers alongside the Home Office in order to provide advice and guidance to its parishes. All dioceses now advise their churches to install deterrents such as alarms and cameras. I am pleased to say that the Church in Wales similarly endorsed Historic England's metal theft guidance.

Inter-faith Dialogue

9. **John Grogan** (Keighley) (Lab): To ask the right hon. Member for Meriden, representing the Church Commissioners, what recent steps the Church of England has taken to promote inter-faith dialogue. [906405]

Dame Caroline Spelman: The Church of England continues to take active steps at local and international level to promote inter-faith dialogue. The Church works through organisations like the Council of Christians and Jews and the Christian Muslim Forum alongside close working with the Office of the Chief Rabbi and senior Muslim clerics.

John Grogan: Does the right hon. Lady agree that many Church schools, both C of E and Catholic, with multi-faith intakes, such as Our Lady of Victories Catholic

School Keighley, pupils from which came down to Parliament last week, including many Muslim pupils, bind our communities together from a young age and teach respect for others?

Dame Caroline Spelman: I could not agree more. Church of England schools are open to the whole community and reflect the demographic profile of the community they serve. Thus in some parts of the country 80% or 90% of pupils in a Church of England school may be Muslim. If you will forgive me, Mr Speaker, I would like to commend what the new Home Secretary had to say about his own education as a Muslim in a Church of England school, and how important a part of his own upbringing was an awareness of religious literacy in our world today.

Several hon. Members *rose*—

Mr Speaker: It might be thought to be a helpful prompt if I advise the hon. Member for Congleton (Fiona Bruce) that inter-faith dialogue can embrace the subject of the evils of modern-day slavery, in which I know she has an intense interest.

Fiona Bruce (Congleton) (Con): I was very pleased to hear my right hon. Friend's response to the question of my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson). Does she agree that trafficking women into prostitution is a most heinous form of violence against women and girls and that, if we are to review the law on prostitution, a priority must be to improve exit strategies for these exploited women?

Mr Speaker: And one would assume that it was a matter that fell within the rubric of inter-faith dialogue.

Dame Caroline Spelman: We need to understand, in the world today more than ever, the different faiths of the world and their tenets, and be respectful of the fact that 84% of the world's population adhere to one of the

great religions of the world. By working through religious institutions in all these countries, which should all condemn outright slavery in all its forms, I hope that we can work together internationally to bring an end to the terrible exploitation to which my hon. Friend refers.

Church Building

12. **Stephen Timms** (East Ham) (Lab): To ask the right hon. Member for Meriden, representing the Church Commissioners, what progress the Church of England is making on building new churches in London. [906408]

Dame Caroline Spelman: This is a bit of good news. The Church Commissioners have made £27 million available for the creation of up to 100 new churches. I am pleased to say that eight new churches are to be created across all the London diocese, and already 100 new worshipping communities meet outside formal church buildings in a fresh expression of "church."

Stephen Timms: Will the right hon. Lady confirm that the Church of England is now building its first new church buildings in London since the 1950s to accommodate not decline, which is widely understood to be what is going on, but a very sharp increase in the number of people attending public worship?

Dame Caroline Spelman: I can do a bit of myth busting here. The Church is not in fact closing more churches than it is opening; interestingly, it is opening almost as many new ones as we are needing to close older ones. But that is often to serve gaps in provision and new communities. At the recent Synod I attended over the weekend in York there was an interesting fringe meeting about the planting of new churches on estates and evangelism on estates. We often build new housing developments, but we do not put a church community building in the heart of those communities. That is why the commissioners have seen fit to make extra resources available for the creation of new churches in areas where demand is high.

Immigration: Pausing the Hostile Environment

10.34 am

Mr David Lammy (Tottenham) (Lab) (*Urgent Question*): May I ask the Minister of State if she will make a statement on the decision to pause the hostile environment and to slip that information out during the World cup last night?

Mr Speaker: One is supposed to read out the precise terms of the question, but the right hon. Gentleman indulged in a degree of poetic licence before I had the chance to stop him. Very good.

The Minister for Immigration (Caroline Nokes): I welcome the opportunity to respond to this question, and I want to make our position very clear. We have put in place additional safeguards to ensure that legal migrants are not inadvertently caught up by measures designed to tackle illegal migration. It is right that we make a clear distinction between those who are here legally and those who are not. We have made it clear that it is not acceptable that those of the Windrush generation have been impacted negatively, and this Government have apologised.

We are keeping under constant review the safeguards that were immediately put in place. We have introduced a temporary pause in the proactive sharing of Home Office data with other organisations, including banks and building societies, for the purpose of controlling access to services. Data on persons over 30 has been excluded from sharing, to ensure that members of the Windrush generation are not inadvertently affected. This is a temporary measure. We are also providing additional support to landlords, employers and public service providers through the Home Office checking service to ensure that we are not impacting the Windrush generation. We have issued new guidance that encourages employers and landlords to get in touch with the Home Office checking service if a Commonwealth citizen does not have the documents they need to demonstrate their status. We have issued similar guidance to other Government Departments providing public services.

The Home Secretary has said that it is his top priority to right the wrongs that have occurred. A lessons learned review, which will have independent oversight, will help to ensure that we have a clear picture of what went wrong and of how we should take this forward. We are carrying out a historical review of removals and detentions. At the same time, our taskforce is helping to ensure that those who have struggled to demonstrate their right to be here are supported to do so, and we have committed to setting up a compensation scheme.

Mr Lammy: It is important to put on record the fact that immigration has brought considerable benefits to this country. We saw last night in England's World Cup team 11 of the players from black or mixed-race heritage backgrounds. That is a tribute to the modern diversity of this country. When the Secretary of State took up his position a few weeks ago, he said that he wanted a decent system, a fair system and a system that treated people with respect. Is it respectful to slip out this information during yesterday's World Cup spectacle? Is

it respectful for the Minister's Department still not to be able to tell us how many people have been detained? Is it respectful not to have any information about a transparent hardship scheme for those who are still in trouble? Is it respectful to have said nothing about whether the Minister is going to allow for a proper appeals system?

Will the Minister confirm that these changes are not just for the Windrush generation and that they are in fact for everyone who has been affected by the hostile environment? She talks about a "pause", but why not scrap the hostile environment that is bringing this country into disrepute? Will she also confirm that we will no longer be asking teachers, nurses, doctors and landlords to act as the country's border enforcement in the months and years ahead?

Caroline Nokes: The right hon. Gentleman has raised a number of important points. First, I want to make it clear that it was the former Home Secretary who requested the pausing of proactive data sharing with other Government Departments, and that that started in April. That is a temporary measure. However, the data sharing cannot be recommenced without my ministerial consent, and it is certainly not something that we will begin again until we are confident that we will not be impacting members of the Windrush generation further.

The right hon. Gentleman mentioned hardship, and of course our first priority has been to help people to secure their status through the taskforce. We have put in place a dedicated team for vulnerable people, whom we are linking up with other public sector bodies to ensure that they get the support they need. I chaired a cross-ministerial group early on in all this, and I was impressed by the steps that the Department for Work and Pensions in particular had taken to ensure that those affected would be able to have their benefits reinstated, indeed retrospectively, from the moment that they demonstrated that they had an appointment with the Windrush taskforce.

When conducting our review of those who may have been detained, it is important that we are meticulous. It would be wrong to come out with a number that we were not confident about and we will ensure that, as soon as we have figures that we are content are accurate, which will go through the same independent assurance process that we used for removals, they will be made available to the House.

The taskforce's first priority is to ensure that those who are assisted achieve status, and that has happened in the vast majority of cases. Those over whom some question remains will have access to an administrative review and, in due course, could proceed to a judicial review if that were appropriate. Obviously, we do not want it to come to that.

As I have said previously and as the Home Secretary has made clear, we have sought to ensure that mitigations are in place for the measures that are within the compliant environment that have impacted the Windrush generation. As I said earlier, we have paused proactive data sharing for all nationalities for people over 30. However, it is important to reflect that compliant environment policies commenced a significant time ago under a previous Labour Administration, and it is also important that this Government have ways of identifying those who are actively accessing services in this country to which they are not entitled.

Mr John Hayes (South Holland and The Deepings) (Con): The right hon. Member for Tottenham (Mr Lammy) deserves the praise and has the admiration of the whole House for how he has championed the Windrush generation, and he is of course right that this was an outrage. However, does the Minister appreciate that that generation, who came here believing this to be, in the words of the shadow Home Secretary, their “mother country” and who are proud patriots, take just as dim a view as any of the rest of us of those who behave illegally or improperly? The point is that the Windrush generation were not illegal or improper and that they do not condone illegality. In doing right by the Windrush generation and being unrelenting in their defence, will the Minister be equally unrelenting in dealing with people who abuse the system and try to cheat them and us?

Caroline Nokes: I thank my right hon. Friend for his question. He and the right hon. Member for Tottenham (Mr Lammy) have been right to pay tribute to the immigrants who have come to this country and contributed so much to our society and way of life, giving us the multicultural Britain that we enjoy today. However, my right hon. Friend is right to point out that this Government continue to be determined to take action against people who are here illegally, and the suite of measures that enables us to do that remains in place.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): The Opposition welcome the limited measures that have been announced, including the temporary end to data sharing and further advice for employers and landlords. However, I have met with a number of members of the Windrush generation who have been caught up in the Government’s net, both at meetings that I have organised and at meetings organised by my right hon. Friend the Member for Tottenham (Mr Lammy), and Ministers do not understand that many of them have got into considerable debt because they did not get the benefits to which they are entitled and found themselves paying for medical treatment.

If the Government are serious about at least helping the Windrush generation, I urge them to look again at setting up a hardship fund. After all, we are talking about people in their 60s and over who have had to borrow or be lent money by relatives. If the Government want to be seen to be acting in good faith, they must review their decision not to have a proper hardship fund and set one up as a matter of urgency.

I welcome the limited measures announced, but the Opposition believe that there needs to be a total review of the hostile environment. I am not pretending that some elements of it—particularly in relation to the NHS—were not introduced by a Labour Government, but, unless we review it in total, the Windrush generation will not be the end of it in terms of unfairness and cruelty. We have to review it and see what is necessary to stop people abusing public services, but take out those elements that have caused so much misery to people who are actually British citizens. Ministers have to understand that this will not stop with the current cohort of largely West Indians. As time goes on, there will be cohorts from all over the Commonwealth, including south Asia and west Africa, caught up in the net of the hostile environment.

Finally, I repeat my request for more information: figures on deportations, on Windrush generation persons in immigration detention and on members of the Windrush generation who went back to the Caribbean—for a

funeral or a holiday—and then were refused re-entry. Until we have the figures and the Minister sets up a proper hardship fund, members of the Windrush generation will be entitled to think that this is words, not action.

Caroline Nokes: As the right hon. Lady will know, Martin Forde QC has been appointed as the independent adviser to the compensation scheme. His call for evidence has closed and has greatly informed the shape of the consultation, which will be forthcoming very soon. She raised the compliant environment controls, which have been introduced over many years: right to work checks in 1997; controls on benefits in 1999 and on social care in 2002; civil penalties for employers of illegal workers in 2008; and more recent measures, including on the private rented sector, bank accounts and driving licences in the Immigration Acts of 2014 and 2016.

The right hon. Lady raised the issue of people who have been in detention and those who may have been removed from the country. The Home Secretary provided information when he appeared before the Home Affairs Select Committee and confirmed that current indications were that 63 people had been removed, but those figures are subject to the independent oversight that we will put in place in due course, and that will of course be properly independent. As I said in my answer to the right hon. Member for Tottenham (Mr Lammy), we will not come forward with the numbers of people detained until we are confident, through the manual review of all cases, that we have the right numbers.

Dame Cheryl Gillan (Chesham and Amersham) (Con): It is with great sadness on both sides of the House that we reflect on how some people from the Windrush generation have been treated and seriously let down by our immigration system, whether it has been a Labour, a Conservative or a coalition Government in office. I am pleased that the Minister is now trying to bring transparency and compassion to this area, but will she confirm that people who made their lives here but have now retired back to their country of origin are free to return to this country at any time?

Caroline Nokes: Absolutely yes. This is one of the areas we have considered, and we have made it clear that those who have retired overseas can return and that those who simply wish to come back and visit would have easy access to visitor visas. The most humbling meeting I have had in my role as Immigration Minister was in Southampton, where members of the Windrush generation set up a meeting that Home Office officials attended to talk to them about their experiences and to help those who needed to go through the taskforce. I know that many Members across the country have set up similar meetings, and I pay tribute to them all for the work they are doing to help to provide reassurance and to make sure that this wrong is righted.

Alan Brown (Kilmarnock and Loudoun) (SNP): This pause is a small, welcome step, but it is nothing more than that. Finally, it is an admission of the hostile environment that the Government have created, about which they were in denial.

What is the Minister actually doing to scrap the right to rent scheme? The scheme requires landlords to carry out immigration checks, and it has led to half of landlords being reluctant to rent to people without a UK passport. Will she confirm this insidious measure will not be

rolled out in Scotland? Will she commit to a broader review of the hostile environment policies, as called for by the Home Affairs Committee? If not, tens of thousands of EU citizens who are not registered as having settled status in time will be among the next victims of this Government.

What is being done to prevent the next Windrush scandal, with thousands of children in the UK being priced out of access to citizenship documentation? Finally, when will the Government ditch their bogus immigration targets? Those false targets and false promises led to the hostile environment policies in the first place.

Caroline Nokes: The compliant environment is part of the Government's drive to address illegal migration, to tackle those who seek to profit from it and to encourage migrants to comply with the rules and laws of the United Kingdom. The public expect us to enforce immigration laws, which have been approved by Parliament, as a matter of fairness to those who abide by the rules.

Bob Blackman (Harrow East) (Con): Members of the Windrush generation are in their 70s and 80s, and many of them feel extremely vulnerable. One concern that has been expressed to me by my constituents is that they may suddenly face deportation. What words of reassurance can my right hon. Friend give them that they should report their position, make sure their position is regularised and fulfil their destiny as British citizens, as they chose way back in the 1950s?

Caroline Nokes: It is an important point that we must provide reassurance and ensure that as many people as possible make contact with the taskforce. That is why we have been working closely with communities to make sure it is very clear that the taskforce has an attitude of helping individuals. I have been to the centre in Sheffield, and I heard people talking through individual phone calls. I listened both to the questions asked and to the very supportive responses given.

It is imperative that we focus on the numbers that have made contact. The taskforce has successfully responded to well over 8,000 calls, and more than 2,000 people have now secured their documentary status. In many cases, and we have seen some incredible stories on the news, those who have been through the process have found it helpful and have been able to provide reassurance to their family and friends. In many cases, those who have been through the process are the best advocates.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): I welcome this urgent question from my right hon. Friend the Member for Tottenham (Mr Lammy), and I agree with the shadow Home Secretary on the need for a hardship fund, which the Home Affairs Committee has twice recommended because we have seen cases of people with huge debts who have been wronged by the British state and who cannot wait for the compensation scheme.

The Minister has referred to data sharing, but she did not refer to the police. Will she look again at the obligation on the police to report victims of crime? The Committee has raised serious concern that this is deterring victims of domestic violence and slavery from coming forward to report to the police, and it is allowing dangerous criminals to get away with it.

Caroline Nokes: The right hon. Lady is right to indicate that we do not want any dangerous criminals to get away with anything. Where there are safeguarding issues, it is important that data can be shared, but we should be careful to do so on a proportionate basis.

On the hardship fund, I was particularly struck when I chaired the cross-departmental meeting by how proactive the DWP was being. I am very conscious that some people may well have been deprived of their benefits, and the DWP was immediately reinstating the benefits of those who have confirmed status or who have confirmed an appointment with the Windrush taskforce, but of course the DWP also has a duty to make sure that any back payments that are owed are also reinstated.

Mr Philip Hollobone (Kettering) (Con): I congratulate my right hon. Friend on how she is getting on top of this very important issue. She said that 2,000 people who have contacted the Windrush taskforce have received documents confirming the legality of their immigration status, but how many people in total have contacted the taskforce? For what proportion have we now established the correct documentation?

Caroline Nokes: So 2,125 individuals have had confirmation of status, which is done via a biometric residence permit. Many of them will then move on to apply for citizenship, and 584 individuals have been granted that to date. The taskforce has taken many thousands of telephone calls. Well over 8,000 call-backs have been made to people who have made contact in the first instance. I can confirm that more than 94% of people who have provided their information have had their status confirmed within the 14-day target, with many having this on the same day.

Marsha De Cordova (Battersea) (Lab): I, too, want to thank my right hon. Friend the Member for Tottenham (Mr Lammy) for his question. We have all seen the disastrous impact that the Government's hostile environment policies have had on British citizens, so why are the Government just pausing these policies? Why are they not abandoning them? I want to echo my hon. Friends in saying that these people need a hardship fund and the Government must act to introduce it.

Caroline Nokes: I thank the hon. Lady for her questions. A lessons learned review, to be headed by Wendy Williams, has already been announced, and its terms of reference will be published. It will give independent oversight, which will help us to ensure that we have a clear picture of what went wrong and how we should take this forward. In the meantime, as Members have heard this morning, we are reviewing existing safeguards to make sure that those who are here lawfully are not inadvertently disadvantaged by measures put in place to tackle illegal migration. I have already made it clear that the Department for Work and Pensions is the lead Department in making sure that those who are in hardship have benefits both reinstated and backdated, but of course the compensation scheme will be the main mechanism via which individuals will be able to make sure that any compensation they are due is paid.

Douglas Ross (Moray) (Con): I welcome the statement from the Minister and the Home Office today. She will be aware that the Windrush scandal is exactly that—a scandal. Those of us on the Select Committee on Home Affairs have questioned several Ministers on why it was

[*Douglas Ross*]

allowed to occur without it being highlighted by the Home Office's internal systems. There was a trend happening that seemed to go unnoticed by the Home Office and officials within it. Will she update the House on what is being done to ensure that future trends are noted far earlier, rather than having to be established through media requests and so on, as in the Windrush case?

Caroline Nokes: I thank my hon. Friend for the question. The lessons learned review is an important part of that, but my right hon. Friend the Home Secretary has been very clear that there is, and will be, a cultural change at the Home Office. We have to make sure that we are better at identifying such situations and responding with the appropriate speed. The lessons learned review will help us to understand what went wrong, and we most certainly are learning those lessons.

Thangam Debbonaire (Bristol West) (Lab): The hostile environment has particular consequences for refugees, especially as the Liberal Democrat and Tory coalition Government scrapped the national refugee integration service, which had been set up by the previous Labour Government. Refugees have fled conflicts and war, and they deserve help, not hostility. So will the Minister agree to restore a national refugee strategy and service, and allow applicants the right to work if the Home Office fails to meet its own six-month service standard?

Caroline Nokes: The hon. Lady will, of course, be aware of the integration Green Paper, which is being led by the Ministry of Housing, Communities and Local Government. In the past few weeks, I have had a number of meetings and conversations with leading charities working in the refugee sector. I am very conscious of the need for us to make sure that refugee communities are given the support—the English language teaching—that they need to be able to integrate. I have a particular focus on the measures we must take to help those with status into work.

Chris Davies (Brecon and Radnorshire) (Con): I thank the Minister for the statement. Will she update the House on the work of the independently overseen review?

Caroline Nokes: Wendy Williams has been appointed to the lessons learned review, and I am optimistic that the terms of reference will be forthcoming very shortly indeed. It is an important review and its findings will be published. I am absolutely confident that Wendy Williams will bring integrity to the review and give it the external scrutiny that it requires.

Mr Alistair Carmichael (Orkney and Shetland) (LD): The hostile environment is just one indication of the negative mindset that has shaped Home Office policy and thinking on immigration for years now. We have seen the cost of visa applications going through the roof, the very poor standard of first-instance decision making and the removal of rights of appeal. During this pause, will the Government look at immigration policies in the round and ensure that we have a more constructive and positive debate in future on the contribution that immigration can make to our economy?

Caroline Nokes: The right hon. Gentleman makes a really important point. Too often, the discussions around immigration are steered by the tabloid press. In due course, both a White Paper and a Bill on immigration will come forward. I sincerely hope that we will be able to have reasoned and intelligent debates in this House, because it is important that we have an immigration system that works in the interests of not only our economy but our society and, most importantly, people.

Kate Green (Stretford and Urmston) (Lab): Yesterday, I met representatives of Roma support groups who advised me of circumstances in which Roma are being encouraged—sometimes financially induced or pressured—to leave the country because they have no fixed abode or cannot produce a residence card. The Minister will know that they have every right to be here under EU freedom of movement rules. Will she take steps to ensure that this practice is ceased immediately?

Caroline Nokes: The hon. Lady raises a really important point. She will be absolutely conscious, as I am, that EU citizens have every right to be here under free movement rules. I am conscious that we need to focus our efforts on those who do not have a legal right to be here and make sure that those who are inadvertently caught up in any policy are given absolutely the right assistance and information that they need. There are particular challenges regarding those who may be homeless. An excellent cross-departmental taskforce, led by my right hon. Friend the Secretary of State for Housing, Communities and Local Government, is currently working on homelessness. It is important that we get our policies right in that respect.

Clive Efford (Eltham) (Lab): If the Government are not trying to avoid setting up a hardship fund, why the delay?

Caroline Nokes: The Government are setting up a compensation scheme and it is absolutely right that we consult on that before so doing. Martin Forde's call for evidence received a great deal of information—in excess of 600 pieces of evidence. As I have already said, the DWP is the lead Department for making sure that those who were entitled to benefits and may have been denied them have them not only reinstated immediately but backdated.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Minister might not know that we have a substantial Caribbean community in Huddersfield, mainly from Grenada and Jamaica—indeed, some of my Opposition colleagues have links to the community. Two people from that community came to see me in the House of Commons yesterday. They are very concerned, and not only about the insecurity that many of the older generation feel. A lot of fly-by-night lawyers and so-called experts are able to charge a lot of money to intercede, because many of these people are frightened of coming to their Member of Parliament in case information goes back and they are picked out and picked on. Will the Minister assure my constituents and the people up and down the country who are worried about this issue that the best place to go to sort it out is to their Member of Parliament?

Caroline Nokes: The hon. Gentleman is always a forceful advocate for his own constituents. Throughout the Windrush crisis, I have seen Members of Parliament

from all parties interceding and acting with great speed and compassion. It is essential that we convey a message of reassurance, which is what I sought to do when I attended a drop-in surgery with members of the Caribbean community in Southampton. Individual Members of Parliament are very well placed to do that, but it is absolutely the case that individuals can contact the taskforce without any need to approach immigration lawyers or advisers. I strongly recommend that they do that rather than approach a lawyer.

Chris Bryant (Rhondda) (Lab): Do we not need to learn a much bigger lesson? Mr Speaker is descended from Romanian Jews. The former Foreign Secretary's great grandfather was Turkish. The Agars, the Jardines, the Poulterers and the Villiers all came over with the Normans. The de Bois and the Corbyns came over with the Huguenots. The Gillans, the Bryants, the Brennans, the Keegans, the Donelans and many others are, frankly, in the end Irish. Is not the truth of the matter that not a single Member of this House has pure, pure, pure British blood and that we should rejoice in the fact that we are all the children of immigrants?

Caroline Nokes: I thank the hon. Gentleman for that. I am sure that he was desperately trying to work out where Nokes came from. [*Interruption.*] I do not know. It is my ex-husband's name. It is really important that we acknowledge, celebrate and recognise the contribution that immigrants have made to our country, to our community and to our society, and I do that. I hope that, over the coming months when we get to debate the immigration Bill, people will remember that.

Vicky Foxcroft (Lewisham, Deptford) (Lab): Many of my constituents in Lewisham and Deptford have been victims of the hostile environment for far too long, waiting years for visas, not having service standards met and not being able to get any sort of update from the Home Office. Does the Minister accept that pausing the hostile environment is far too little and too late for many of my constituents, and should not the Government now be ending it for good?

Caroline Nokes: The compliant environment provides some important policies that enable us to distinguish between those who are here legally and those who are not. As I said in response to an earlier question, this was something that commenced many years ago, under a different Government, and it is absolutely right that we should be able to check that those who are accessing benefits and services have the right to do so.

Stephen Timms (East Ham) (Lab): In 2014-15, more than 40,000 overseas students lost their leave to remain in the UK because an American testing firm alleged that they had cheated in their English language test. Many of them were plunged into great hardship. It is now becoming clear that a significant proportion of those allegations were without foundation. Will the Minister now offer those students who, remarkably, have managed to stay here, a large group of whom were in the House yesterday, a new secure English test to establish fairly whether they can now resume their studies?

Caroline Nokes: I thank the right hon. Gentleman for that question. It is, of course, an issue that we are considering very carefully.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): This is not the only pause that the Immigration Minister has tried to sneak out in the past month. She admitted to me in a written answer on 4 June that she had paused deportation flights to the Caribbean. She said in her answer that this was because of the need for "added levels of assurance". Some 991 flights were booked in the past year to deport individuals to the Caribbean. Why did she pause the flights? Will they remain paused? And how many of those 991 individuals does she now believe were deported wrongly?

Caroline Nokes: It is absolutely right that, at a time when we were looking very closely at whether anybody of the Windrush cohort had been negatively impacted, we paused flights to the Caribbean. It is important, going forward, that we look at those flights with utmost rigour, and we are determined to do so.

John Woodcock (Barrow and Furness) (Ind): In a Westminster Hall debate on 13 June, the Minister said that no one had successfully judicially reviewed the Government under paragraph 3225 of the immigration rules. Was that accurate, and have any cases been settled out of court?

Caroline Nokes: If the hon. Gentleman looks in the Library, he will find that I have provided clarification on that matter.

Diana Johnson (Kingston upon Hull North) (Lab): Can the Minister say whether she has issued any guidance to entry clearance officers about visitor visas? I have seen an upsurge in people who have been refused visitor visas. They have all the documentary evidence to fulfil the requirements of the immigration rules, but the disbelief of the entry clearance officer that they will not return to their home country seems to be the prevailing issue.

Caroline Nokes: It is important that entry clearance officers consider applications for visitor visas with the utmost rigour. Every year, we issue in the region of 3 million visas—I think that the figure is 2.7 million visas. As I said in Westminster Hall quite recently, I do not believe that we get the answer right in every case, but in the vast majority we do.

Paul Blomfield (Sheffield Central) (Lab): One aspect of the hostile environment that sets the UK apart is the overdependence on the use of immigration detention—in particular, the lack of a time limit on detention. This House endorsed a recommendation from a cross-party inquiry seeking an end to indefinite detention and a greater use of community-based alternatives. What consideration is the Minister giving to that recommendation? Will she confirm that the much-delayed further review on detention conditions, being carried out by Stephen Shaw, will be published before the recess?

Caroline Nokes: The use of immigration and removal centres was, in fact, down by 8% last year. The hon. Gentleman will be familiar with the figures that have already been made public—that 63% of detainees are released within 28 days and that in the region of 92% or 93% of detainees are released within four months. Obviously, individuals have the right to apply for

[Caroline Nokes]

immigration bail at any time, and that happens automatically after four months. We expect to publish the response to the Stephen Shaw report in very short order indeed.

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): In my first year as a Member of Parliament, I have been shocked at the level of the hostile environment as it manifests itself in my constituency. Just two weeks ago, the Kamil family in my constituency went on hunger strike outside the Home Office in Glasgow, having been kept in limbo for 18 years, waiting for their asylum application to be assessed. They are Iraqi-Kurdish refugees. How on earth was this able to happen? Eighteen years is worse than a life sentence. Their children were forced into a situation where they were not able to leave the country. Will the Minister commit to investigating this case as part of a wider review?

Caroline Nokes: I am happy to look at this individual case if the hon. Gentleman provides me with the details. I am conscious that we need to do better when it comes to the speed of assessing asylum cases and in ensuring that people receive their decisions in a timely manner.

Visit of President Trump: Policing

11.12 am

Louise Haigh (Sheffield, Heeley) (Lab) (*Urgent Question*): To ask the Secretary of State for the Home Department—or another Minister, if they care to turn up—to make a statement on policing during the visit of President Trump.

Mr Speaker: Has there been a change of plan or anything?

The Minister for Immigration (Caroline Nokes): No change of plan; none at all.

Mr Speaker: No change of plan. My office was advised that Minister Hurd would be responding to the urgent question. [*Interruption.*] He is here now. May I just say to the Minister, while he recovers his breath, that the hon. Member for Sheffield, Heeley (Louise Haigh) has just put the question? I do not think that the Minister requires it to be repeated; I think that he knows the substance of the matter. I trust that the hon. Lady is content that she has put the question, and we look forward to the initial reply of the Minister.

The Minister for Policing and the Fire Service (Mr Nick Hurd): Let me first apologise to the hon. Lady for not being in the Chamber when she put the question. I also apologise to you, Mr Speaker, and to the House.

The visit to the UK of any President of the United States of America is, of course, a significant and historic event. I reassure the House that the police have developed robust plans to ensure the safety and security of the visit. The three main forces involved are the Metropolitan Police Service, Thames Valley police and Essex police. Nearly all forces in England and Wales are providing officers and resources to assist with policing plans. This is happening under existing mutual aid arrangements and is being co-ordinated by the National Police Co-ordination Centre.

It is a long-standing tradition in this country that people are free to gather together and demonstrate their views. The police are aware of a number of protests planned across the country and will be working to manage them. The Metropolitan Police Service anticipates protests in London, including two large-scale protests—tomorrow and on Saturday. Proportionate policing plans are in place to support these. This is a significant policing operation and comes, as the House knows, at a time when police resources are also focused on investigating the incidents in Salisbury, protecting us against terrorist attacks and delivering on their own local policing plans. We will consider any request for special grant funding in line with our normal processes.

Let me conclude by stating for the record something I am sure that the whole House feels, which is our appreciation for the incredible hard work that our police officers and their partners are doing to facilitate this visit successfully, coming on top of the work they do every day in every community to protect the public.

Louise Haigh: Thank you, Mr Speaker, for granting this urgent question.

Last weekend saw areas as disparate as the west midlands and Dorset receiving the highest ever numbers of 999 calls. This weekend, police forces are preparing for one of the biggest mobilisations in their history. Every force in the country is sending officers to protect the President and to safeguard the democratic right to protest, which I hope will be fully respected by the Metropolitan police tomorrow. West Yorkshire police, for example, are sending 296 officers while themselves contending with an English Defence League march in their own force area.

Initially, requests were made for 300 police support units, each comprising an inspector, three sergeants and 18 police constables, but this request had to be negotiated down to 130 because forces simply could not provide 300. Is the Minister assured that the Trump visit will be adequately policed given the significant reduction in the numbers originally asked for? Does he believe that policing needs elsewhere in the country will be met? Is he satisfied that our policing system, having lost over 21,000 officers, is resilient enough to cope with the additional demand this weekend?

The Government have provided a commitment that Police Scotland will receive £5 million to cover the costs of President Trump's golfing trip, but English and Welsh forces have been told to apply for a special grant, with no guarantee that the additional costs required will be fully met. Will the Minister commit today to fully reimbursing the costs of the visit? What is his estimation of the total cost for all forces?

Rest days for our police officers are now being cancelled at a phenomenal rate, and the number of officers on long-term sick leave is rocketing. It is simply dangerous to keep asking our officers to do more and more without giving them the time they need to recuperate. What measures will the Minister take to assist forces in allowing officers to take back the cancelled rest days that they are experiencing this weekend? This visit will have a huge knock-on effect well into the summer.

It has emerged overnight that officers being accommodated in Essex are sleeping on cots in squash courts, with 100 female officers with four toilets between them likely to be sleeping on mats tonight, and 300 male officers with five toilets between them, no access to power, and no hot running water. In the run-up to these deployments, it was not clear whether these officers would even be paid their overnight allowance. Is it any wonder then that so many forces struggle to fill their requirements through volunteers, or any wonder that many officers are considering ripping up their police support unit ticket?

Tonight, the Minister and I will both be presenting at the national police bravery awards. Surely he cannot agree that this is any way to treat our overstretched officers. The time for warm words is over. The Government must now provide the police with the support they desperately need.

Mr Hurd: I thank the hon. Lady for those questions. I will give her some assurances on some of the specifics she raised.

The hon. Lady asked whether the right to peaceful protest will be respected, particularly in London. I can assure her of that, having spoken to the gold commander today specifically on that point. The police have been

working closely with the protesters and they resent any suggestion to the contrary in this regard. The right to protest is fundamental for us and it needs to be respected.

The hon. Lady raised concerns about accommodation for officers in Essex. She is right to do so. Those concerns have been raised directly with Essex police and are being managed.

The hon. Lady asked whether there were sufficient police resources to support the security of the visit in an effective way. Again, I have had the assurance from the gold commander in charge of this operation that that is the case. They are extremely comfortable about the situation. In fact, the number of police officers required for this operation has fallen significantly in the past two weeks.

The hon. Lady asked about how exceptional costs will be met. We have the special grant, which we increased in the 2018-19 settlement and is designed specifically to help meet exceptional costs. I signalled in my response to her question that that pot of grant money is open for business in relation to this very significant policing event.

The hon. Lady's fundamental point was around whether the police have the resources they need under very stretched circumstances. We have had this debate many times, and she knows that I have been extremely candid in my view, shared by the Home Secretary, that the police are very stretched, and they deserve additional support. That is why we took action in the last funding settlement to increase public investment in our police system by £460 million this year—a funding settlement that her party opposed.

Dame Cheryl Gillan (Chesham and Amersham) (Con): I commend the work of our police and the way in which they keep us safe, no matter what demands are placed on their time. I particularly commend my police force, the Thames Valley police force, which has a lot of extra duties in guarding not only politicians and visiting politicians but also our royal family. It does that without complaint and in an exceedingly good fashion. I am pleased to hear that a special grant will be available to supplement the funding to the Thames Valley police, but can the Minister tell me whether that will be forthcoming immediately? Will there be any contribution at all from the US Government to the high cost of this presidential visit?

Mr Hurd: I join my right hon. Friend in placing on record my admiration of and thanks to Thames Valley police force for the work it is doing in the context of this visit and the wider work it does to support and protect her constituents. This is an opportunity to again place on record our cross-party admiration of and support for the police and the work they are doing under, admittedly and frankly, very stretching circumstances at this moment in time. She asked about the exceptional grant. We increased the size of that pot significantly this year to support police forces in this type of situation, and as I said, that pot is open for business.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Let me first echo the comments made by my right hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) at Prime Minister's questions yesterday. Rather than the Prime Minister and the Secretary of State for Scotland rolling out the red carpet, they should be focusing on challenging President Trump on his abysmal record on human rights, women and minorities.

[Drew Hendry]

The Scottish Government's Cabinet Secretary for Justice has been making commendable efforts since his appointment to prepare for this business, but getting any co-operation from the UK Government has been like pulling teeth. Why did the Justice Minister have to reach out to receive an assurance that, with Trump being a guest of the UK Government, the UK Government will be covering the policing bill for his time in Scotland? Why was that assurance not given from the outset? Similarly, why has the Justice Minister been required to request what one would expect to be basic information from the UK Government, such as where President Trump is expected to be and when? Does the Minister believe that effective planning can take place without that information being known in advance?

Mr Hurd: I have not been privy to those conversations, but it is clear that the funding issue has been settled, and I understand that the policing plans for the Scottish leg of the President's visit are in good order.

Mr Philip Hollobone (Kettering) (Con): It seems to me that there are two fundamentally different parts of the security costs: there are the security costs for the protection of the President in various locations, and there are the costs of policing the demonstrations in London. London has lots of big demonstrations every year. Does the Policing Minister have any estimate of the cost for the Metropolitan police of policing demonstrations throughout the year? What is his working assumption about the cost of policing these two days of demonstrations for the President's visit?

Mr Hurd: My hon. Friend is entirely right to distinguish between the effective policing of the President's itinerary and the policing of protests in London and other parts of the country. The police expect more than 100 protests across the country, and there are separate policing plans within one strategy. He is also right to point out that the policing of major events in London is regular business for the Metropolitan police, with significant costs attached, which we support through Home Office grants and mechanisms such as the exceptional funding grant pot that I mentioned. The cost of this operation will run into the millions.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Policing Minister will know how overstretched many parts of our police forces are now, with rising serious violent crime, increasing 999 calls, mental health cases and serious investigations such as Amesbury and Salisbury. He will also know that short-term emergency funding does not actually help to solve the problem of officers being overstretched because the police cannot recruit new officers just to cover short-term incidents. Will he tell me both what he is doing on the long-term funding of policing, and whether the agreement on short-term funds will follow the same principles as the agreement he has already made with Police Scotland or will be different?

Mr Hurd: I understand fully the point that the Chairman of the Home Affairs Committee is making, although I believe there needs to be room for short-term funding mechanisms to deal with crises and exceptional events, which is why the exceptional grant pot is extremely

important. Any bids from police forces involved in this policing operation will be judged according to the existing criteria for that pot of money.

The right hon. Lady asked about arrangements for long-term funding. She and I have had a number of exchanges on this through the Committee and on the Floor of the House. She will know the backdrop, which is that we as a country are investing £1 billion more in our police system than we were three years ago. We have a funding settlement for 2019-20 that will come before the House for debate in November or December, and I am doing exactly what she would expect me to do in engaging with police chiefs and police and crime commissioners to get the most up-to-date view on demand and resilience and to make sure that what we bring forward in November or December is fit for purpose and attuned to the reality of modern-day policing.

Nigel Huddleston (Mid Worcestershire) (Con): I am very proud to declare that I love America. My wife is American, my son was born in America, my daughter has a US passport, and I lived and worked in America for more than 10 years. I love America and Americans, but I sometimes feel I am almost the only one in this place to do so. [Interruption.] Does the Minister agree that the visit of a US President is symbolic of our overall relationship with our most important ally, and that people can protest respectfully and demonstrate peacefully while doing so in a manner that does not overburden the British taxpayer?

Mr Hurd: I am not going to get into a debate about whether my hon. Friend looks American, but he makes a fundamental point: any visit by any President of the United States of America is a significant and historic event for this country. The reality, although I detect some discomfort about this among Opposition Members, is that President Trump is the democratically elected leader of our most important ally and this relationship has enormous consequences for the security and prosperity of all our constituents. Of course we should welcome him. We should also be absolutely professional, as everyone would expect, in making sure that the security arrangements for such an important visit are robust and fit for purpose, and I am satisfied that they are.

Mr Clive Betts (Sheffield South East) (Lab): The chief constable of South Yorkshire police—it should be congratulated on being the most improved police service in the country—has advised me that the cost of officers deployed to other parts of the country will be covered by the Government. However, where those officers have to be covered back in South Yorkshire, with overtime and rest day working, the costs will not be covered, and the chief constable has had to cancel all weekly leave, with the disruption that that will bring to services in South Yorkshire. Would it not be better if the Government just agreed to cover all the costs of the visit? After all, they invited President Trump.

Mr Hurd: First, I congratulate South Yorkshire police force on the fantastic progress it is making, and it is important that we should recognise that. I am very aware that this is a very significant policing operation, which has significant short-term costs but also has implications for the force management of local forces for some time. We do have a mechanism to help with the

short-term costs. As I said to the Chairman of the Select Committee, we are doing serious work on the funding requirements for local police forces, and we will bring that back to the House for debate in late November or December.

Douglas Ross (Moray) (Con): I welcome the earlier announcement by the UK Government that they will support the policing of this visit in Scotland to the tune of £5 million. Will the Policing Minister confirm that, despite what the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) said, there has been full co-operation with Police Scotland in preparing for the visit to ensure the safety of those on the visit, the protesters and, importantly, the policemen and women who will be at the forefront of the operation in Scotland?

Mr Hurd: I certainly am satisfied of that. I suspect that is the usual scaremongering from the SNP, because as far as I understand it, the funding is settled and the police plan is robust.

Mr Dennis Skinner (Bolsover) (Lab): What on earth are the Government playing at by inviting a fascist like Trump to come to Britain and cause all the mayhem that we have heard about from Labour Members, requiring police from every part of the British Isles? Do the Government, and in particular the Prime Minister, want to hold his hand again? Is that what it is all about? They are making a rod for their own back.

Mr Hurd: The hon. Gentleman, as always, is entitled to his own robust views, but the fact of the matter is that President Trump is the democratically elected leader of the United States of America, which is historically, and currently, our most important ally. It is a hugely important relationship for the security and prosperity of the hon. Gentleman's constituents and those of all Members of the House. We should make the President welcome.

Mr David Lammy (Tottenham) (Lab): "Together against Trump" has organised an important protest against this most divisive global figure for tomorrow afternoon. It is usual for those who gather at Portland Place to be able to hear speeches. Why on this occasion has the Metropolitan Police said, unusually, that it will not allow a stand, which would enable those gathered to hear people speak before they begin their march?

Mr Hurd: I have spoken to the gold commander of this operation, and she is adamant that the police have worked closely with the organisers of the protest. The police are determined to respect people's fundamental right in this country to peaceful protest, but they also have the right to impose some conditions on protests in the interests of public safety. I am not aware of the specific details to which the right hon. Gentleman refers, but I am happy to ask and furnish him with a response.

Christine Jardine (Edinburgh West) (LD): As one of many Members of the House who love America, may I ask the Minister why so much money—£5 million in Scotland—is being spent to protect the President at a time when we are so badly stretched and when, in effect, the President is going to play golf on his own golf course?

Mr Hurd: It is a lot of money and resources are tight, but the President of the United States is here on an official visit. It is our responsibility to ensure that appropriate security arrangements are in place, and that is what we are doing.

Dr Roberta Blackman-Woods (City of Durham) (Lab): I do not have the numbers for Durham, but I know that 100 officers have been requested from Northumbria police at a time when a great many events are taking place in the region, not least the excellent Durham miners' gala in my constituency. It is important that the police have enough resources to keep people in the region safe as well. Will the Minister take that on board, and will he speak to his colleagues so that we know what the total cost of this visit will be, including the cost of policing, and how it will be met? I am sure that, like me, a lot of people will be asking: is it worth it?

Mr Hurd: I understand the hon. Lady's point about police resources in Durham. Arrangements for these events have historically relied on good mutual arrangements, and they are the subject of frank conversations between those co-ordinating events in gold command and the co-ordination centre, and local police chiefs who obviously have to make decisions based on local policing needs at that time. On the basis of what I have heard, I am satisfied that those conversations have taken place in the right way, and that the outcomes are satisfactory for all concerned. We will not know the total cost of the visit until it has concluded, but it will run into millions, and of course it will be disclosed.

Holly Lynch (Halifax) (Lab): The photos of the accommodation in Essex that awaits officers who have been drafted to the capital are shameful. I have no doubt that in an emergency situation our brave officers would not think twice about using such accommodation, but this is not an emergency and planning for this visit has taken place over three months. The Minister said that the situation is being managed, but can he assure officers that they will not be sleeping on mats in sports halls this evening?

Mr Hurd: That is certainly not my wish. The comments I have seen from the National Police Chiefs Council make it quite clear that it considers the situation to be unacceptable, and Essex police are working on a better solution.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): Just to be clear, I love America and Americans. Indeed, my grandfather was a GI in the second world war. This President is racist, divisive and sexist, and if we were not rolling out the red carpet for him in so many locations, we would not have these costs and pressures on the police. I have a very serious question about far right activity. The President has shared content from a vile fascist organisation whose leaders have now been jailed. What assessment has the Minister made of the potential for far right groups to use the visit as a rallying opportunity?

Mr Hurd: The police have made an assessment of all the protests. As I have said, they estimate that there will be more than 100 protests across the country. Their biggest concern, with regard to what they call "spiky

[Mr Hurd]

activity,” is about two protests in London on Saturday by groups that have different views on the subject. They are managing the risks in the professional way that we would all expect, including by imposing some conditions on the route of the marches in order to keep the protesters separate and reduce the risk of confrontation.

Alan Brown (Kilmarnock and Loudoun) (SNP): Like the hon. Member for Mid Worcestershire (Nigel Huddleston), I have a wife who is a US citizen. She does not welcome the UK Government rolling out the red carpet for Trump. We have already heard that Police Scotland and the Scottish Government cannot plan properly for Trump’s visit to Scotland because the UK Government will not co-operate or even tell us which golf course he will visit. Is that secrecy the result of wilful arrogance on the part of the UK Government, or conditions imposed by Trump to try to stifle demonstrations?

Mr Hurd: The Scottish National party keeps poking away at this. I have seen absolutely no evidence to suggest that there is any problem with the policing plan for Scotland, which is sorted. I cannot help what individual Members of Parliament or their wives think about President Trump, but he is the democratically elected leader of our most important ally. It is our responsibility to ensure that this historic visit is policed in the most professional way.

Dan Carden (Liverpool, Walton) (Lab): People are protesting against President Trump’s visit because they want to demonstrate their opposition to his bigotry and racism—his comparing migrants to poisonous snakes, and Mexicans to murderers and rapists, and state-sanctioned child abuse—and that is their right. For the Metropolitan police to decide not to allow a platform for speakers at the protest in central London tomorrow is an absolute disgrace. The Minister must intervene immediately to put that right. Failure to do so will leave a permanent stain on our democratic right to freedom of speech.

Mr Hurd: I will defend to the hilt the right to peaceful protest, which is absolutely fundamental. I completely understand the strength of opinion on President Trump’s visit. The police have to base their operational decisions on their assessment of risk. Having spoken to the gold commander, I know that she is extremely keen to ensure that the police respect the right to peaceful protest, but I have undertaken to speak to her again in the light of the question from the right hon. Member for Tottenham (Mr Lammy).

Karin Smyth (Bristol South) (Lab): This year I am taking part in the police service parliamentary scheme, which I recommend to all hon. Members. I recently visited the counter-terrorism unit, and I have spent a lot of time with Avon and Somerset police. Avon and Somerset police last year produced a report called “The Tipping Point”, which was about analysing demand using a very high-tech computer system. I do not think the Minister has seen that system, so I encourage him to visit so that he really understands the demand and the high-tech solutions that that police force has to offer.

Mr Hurd: I congratulate the hon. Lady on taking part in the police service parliamentary scheme, which is a fantastic thing to do—I know that other Members have benefited hugely from it. I have to correct her on one point, because I have visited Avon and Somerset police and sat down with the officers managing their data system, which I would describe as best in class. It helps them to manage demand more effectively, which is a fundamental challenge for every police force across the country. They are showing the way, using existing data and the latest technology in a smart way to make an enormous difference in how precious police officer time is managed. I congratulate them on their leadership.

Paul Blomfield (Sheffield Central) (Lab): While recognising the real importance of our relationship with the United States and the deep bonds that we have with the American people, should we not be celebrating the fact that so many people across the country are preparing to take a stand against this President, his views and his policies? On the question of policing, I have met South Yorkshire police leadership twice over the last fortnight and on both occasions, they have expressed concern about the impact of deploying 160 officers when their resources have been reduced by so much. Is not the real problem that this Government and their immediate predecessor have brought down policing numbers to virtually unsustainable levels?

Mr Hurd: I share the hon. Gentleman’s passion for protecting the right to peaceful protest. It is fundamental to our democracy, so there is nothing between us on that, nor is there anything between us on the importance that we attach to our relationship with the United States of America. On his point about police funding, I come back to what I said before: as a country, under this Government we are spending £1 billion more this year on our police system than we were three years ago. There is £460 million more this year through the police funding settlement that he and other Labour MPs voted against.

Kate Green (Stretford and Urmston) (Lab): I understand that Greater Manchester police have been asked to contribute 250 officers to policing President Trump’s visit around the country, but as the Minister noted, demonstrations will take place in other parts of the country, including in Manchester tomorrow evening. I know because I intend to attend that protest. Will he assure me that Greater Manchester police will be able to prioritise meeting our local policing needs and not have other officers pulled away to help elsewhere, leaving us exposed at our own demonstration?

Mr Hurd: Let me say two things in reply. First, I place on record my thanks to Greater Manchester officers and officers from South Yorkshire and other parts of the country who have stepped up to help police this very significant occasion. They are very hard-worked and overstretched at the moment anyway, so I am extremely grateful to them for doing it. Secondly, Ian Hopkins, the chief constable of Greater Manchester police, will have done his job of assessing any requests for support and balancing them with what he needs to keep the people of Greater Manchester safe. His job is to strike the right balance. I also note that the demand on officers from other forces has reduced significantly over the last two weeks as the plans have become clear.

Paula Sherriff (Dewsbury) (Lab): Will the Minister confirm that West Yorkshire police are providing nearly 300 officers, even though there is a planned English Defence League demo in our region? Further to the question from my hon. Friend the Member for Stretford and Urmston (Kate Green), will he therefore absolutely guarantee the safety of local people during that demo, when so many of our officers will be deployed elsewhere?

Mr Hurd: I will give the hon. Lady a similar answer to the one before. Almost every police force is contributing officers, but the numbers have significantly reduced in the last two weeks, so I do not know whether the 300 number that she cites is accurate. However, on the police's decisions about how resources are allocated to police this significant occasion, I come back to the point that these are local operating decisions that the local chief and the local police and crime commissioner need to take in co-ordination with the National Police Co-ordination Centre to make sure that they are not taking unnecessary risks in their home base.

Diana Johnson (Kingston upon Hull North) (Lab): Of course we need to keep President Trump safe, but equally, my constituents need to be safe, and Humberside police are overstretched at the moment. We have higher than ever levels of antisocial behaviour on Princes Avenue, Newland Avenue and the North Hull estate, including from motorbike jabs. My constituents will be furious to know that inspectors, sergeants and police constables are going down to keep President Trump safe. Does this not show that the hollowing out of police numbers across this country has repercussions for local communities?

Mr Hurd: I think that people understand and share the hon. Lady's hope—people expect us to do a professional job on the security around such an historic and significant visit. On local police resources, again I have said that we are putting more money into local policing. We continue to keep that under review. We have made it quite clear that funding for police is a priority for us, and I hope she would recognise that additional money has gone into Humberside police through a police funding settlement that she voted against.

Melanie Onn (Great Grimsby) (Lab): May I echo what my hon. Friend the Member for Kingston upon Hull North (Diana Johnson) said? The Humberside

police force has been cut to the bone over the years. It was asked for three police support units but could cobble together only two, and even that was a result of the cancellation of officers' annual leave. I should like to know whether an assessment has been made of the impact of the cancelled annual leave on those officers' mental health, and on their diligence while they are on duty.

Mr Hurd: I fully recognise that our police forces are stretched, and I have done so from this Dispatch Box. That is why we have given them additional resources. As for the hon. Lady's point about distress and the impact on wellbeing, we have committed taxpayers' money to the development of a national welfare programme for police officers, because we recognise that the issue is hugely important. That is all part of our police funding settlement, which has put an additional £460 million into the police system, including additional money for Humberside, but which the hon. Lady and others voted against.

Jeff Smith (Manchester, Withington) (Lab): The Greater Manchester force has lost 2,000 officers since 2010, and it is clear from my case load that it is already struggling to cope with the workload. Now 250 of the remaining officers are being called in to police the Trump visit. Does the Minister accept that if the Government are going to rely on calling in officers from local forces, they should fully reinstate the funding for Greater Manchester police and other local forces so that they have enough officers to cope?

Mr Hurd: Let me make two points in answer to that question. First, the structure of mutual aid to police significant events is well established. It is a highly sensible, smart system enabling us to make the best possible use of the resources that we have. It has been a fact of life under successive Governments for a long time, and there is nothing new in it at all. As for the hon. Gentleman's general point about police resources, I have already responded to it. The Government are putting more money into local policing, including in Greater Manchester, and we keep the position under review. That, too, is all part of the police funding settlement, which put more money into policing and which the hon. Gentleman voted against.

Business of the House

11.46 am

Valerie Vaz (Walsall South) (Lab): Will the Leader of the House please give us the forthcoming business?

The Leader of the House of Commons (Andrea Leadsom): The business for next week will be as follows:

MONDAY 16 JULY—Remaining stages of the Taxation (Cross-Border Trade) Bill, followed by a motion to approve Standing Orders relating to the European Statutory Instruments Committee.

TUESDAY 17 JULY—Remaining stages of the Trade Bill, followed by a motion to approve a Ways and Means resolution on the Parking (Code of Practice) Bill.

WEDNESDAY 18 JULY—Consideration of Lords amendments to the Domestic Gas and Electricity (Tariff Cap) Bill, followed by a general debate on the future relationship between the United Kingdom and the European Union.

THURSDAY 19 JULY—Debate on a motion on the independent complaints and grievance policy, followed by a general debate on the tobacco control plan.

FRIDAY 20 JULY—The House will not be sitting.

The provisional business for the week commencing 23 July will include the following:

MONDAY 23 JULY—A general debate, subject to be announced.

TUESDAY 24 JULY—A general debate on matters to be considered before the forthcoming adjournment.

I am sure that the whole House will have enjoyed marking the 100th birthday of our fantastic Royal Air Force. The celebrations culminated in a spectacular flypast, and gave us a good opportunity to thank the RAF for its service. We also had the superb, heartwarming news this week that the 12 Thai boys and their football coach had all been successfully rescued by a Thai-led international team, including British expert divers. We wish them all a full and speedy recovery.

Finally, it was not to be, but we are all incredibly proud of the efforts of our England football team and the wonderful Gareth Southgate in the World cup. That bodes very well for a bright future for the team.

Valerie Vaz: I am not quite sure whether I should thank the Leader of the House for the future business, because it is an absolute outrage that an Opposition day that was allocated for Wednesday has been taken away. Will the Leader of the House please explain why we have lost our Opposition day? This is a cynical move by the Government—a Government who are in a minority—and an abuse of power. I am apoplectic with rage, and there is more to come.

The White Paper that was supposed to be published today was given to the press at 9 am, in lockdown. My hon. Friend the Member for Caerphilly (Wayne David) went to the Vote Office and was told that it would not be available until 1 pm. There is to be a statement, and Members will have to come to the House to speak about the White Paper. Worse still, the Leader of the Opposition and the shadow Exiting the European Union Secretary will get the White Paper only half an hour before the statement. This is outrageous. I know this is a back-of-the-envelope Government; that is the business they are

in—they are certainly not in the business of a democratic Parliament and allowing Parliament to decide what it should ask the Secretary of State. We are not in a position to do that. This is an outrage. Will the Leader of the House make a statement either later today or on Monday explaining why there was this shambles about the White Paper? It has taken the Government two years—[*Interruption.*] Would you like me to sit down, Mr Speaker? You look poised to say something.

Mr Speaker: As is not uncommon, I was just conferring with the chief procedural adviser, the Clerk of the House, but I am now all ears. I am always listening to the hon. Lady, and this morning is no exception; please continue.

Valerie Vaz: Thank you, Mr Speaker; I wish the Government were all ears, but they are not. It has taken them two years to agree a position, and now it seems that there may be two White Papers: the ex-DEEU Secretary apparently produced a White Paper at Chequers. So we need to know about this; we need to have a proper debate on whether the Government's White Paper is the settled position. This is typical of the new DEEU Secretary; welcome to his world—authoritarian and cynical.

The Secretary of State for Environment, Food and Rural Affairs said he hoped that the agriculture Bill would be published before the recess. Will it? And when will the migration and fisheries and the withdrawal agreement and implementation Bills be published?

As the rest of the world is moving forward, the Government are moving backwards. There is a remake of "Oceans 8" with women in the lead, but not for the reshuffle: the new positions are all filled by men, and we need to congratulate, I suppose, the heckler-in-chief the hon. Member for Daventry (Chris Heaton-Harris) who is now a DEEU Minister.

The Leader of the House may want to correct the record. In a BBC "Newsnight" interview on Tuesday she said that as Leader of the House she took the withdrawal Bill through Parliament. I think it is clear that she did not: it was the DEEU team that did that. She also said that

"who we should all be pointing our guns on is those negotiators in the EU".

Will she retract that inflammatory statement, particularly as this is a negotiation, not a battle?

The Leader of the House seems to be picking up the inflammatory statements of the President of the United States. As he lands in the UK, children are still being reunited with their parents. CNN has footage of reunion between a child and her mother after being separated for 55 days and toddlers going to court without representation; we are reminded what a cruel policy this is. The person who instigated that policy will be meeting our sovereign. And let us also remember that that person is not a native American. He is not one of the First Nations; he was an immigrant himself.

As this seems still to be unclear following the urgent question of my hon. Friend the Member for Sheffield, Heeley (Louise Haigh), will the Leader of the House place in the Library the total costs of policing the visit, for all the places, including under the devolved Administrations, that the President is going to for his business interests and leisure?

We know that the President has had private discussions with various Members about our leaving the EU, but there is more work to be done. This is a complicated process; it is not just “yes” or “no” on a ballot paper. According to the House of Commons Library, the UK will leave up to 1,256 international agreements to which the EU is party, and the *Financial Times* has reported that the UK will need to renegotiate 759 separate EU agreements with 168 countries. The International Trade Committee said that the number of EU trade and trade-related agreements

“appears to be a matter of some uncertainty”

and warned of trade with 70 nations

“falling off a cliff edge”

if the Government did not act quickly enough to roll over the EU trade deals. May we have a debate to update the House on what the Government have in place to ensure that the UK’s international agreements continue to apply as we leave the EU?

Further to the urgent question of my right hon. Friend the Member for Tottenham (Mr Lammy), may we have an urgent debate on an apparent change of Government policy and whether the hostile environment policy has ended? It seems that we only found out after Kieran Trippier’s goal—and I join the Leader of the House in thanking the England team; we dared to hope.

I also thank one of our amazing public servants, Sir David Behan, who stepped down as chief executive of the Care Quality Commission yesterday. He served six years in post and had a distinguished career in the health and social care sectors spanning over 40 years. He took over the CQC and managed to turn it around; I know many hon. Members will receive alerts on any institutions inspected by it, and they are very helpful. We wish him well, and hope that he can use his expertise to train further public servants.

All of us in my office had an outing to see that amazing moment in history, the fly-past that took place this week. On behalf of the Opposition, I want to wish the RAF and all who have served in it a very happy 100 years. Finally, we have some good news. The first parliamentary baby has been born. My hon. Friend the Member for Lancaster and Fleetwood (Cat Smith) has given birth to Elijah, and we send our good wishes to her and to Ben and Eli. We hope that Eli and all the other babies will enjoy the baby blimp that is soon going to be flying over London.

Andrea Leadsom: I am grateful to the hon. Lady for telling us about the hon. Member for Lancaster and Fleetwood (Cat Smith) and her new arrival, Elijah. That is great news for the whole House. We should also celebrate the news from our Liberal Democrat colleague, the hon. Member for East Dunbartonshire (Jo Swinson), who has given birth to Gabriel. So we have some great prophets coming along, and I hope that they will be the foretellers of a fantastic future—

Chris Bryant (Rhondda) (Lab): And angels.

Andrea Leadsom: Angels and prophets, indeed. This is a wonderful precedent for this place.

The hon. Lady asked about the business. She will be aware that provisional business is announced for the future, and the business that was announced last week

was indeed provisional. The Standing Orders set out that there will be 20 Opposition days, with 17 for the largest party. The Government have a good record on providing Opposition days, and we will continue to do that. I am always happy to consider all reasonable requests.

The hon. Lady asked about the Brexit negotiations. These are complex negotiations, as she has just acknowledged. The White Paper will set out the clear way in which we will give effect to the Cabinet agreement at Chequers. The intention is to stick with the red lines that were set out by the Brexit referendum—that we will be leaving the jurisdiction of the European Court of Justice, that we will no longer be paying our EU subscription, that we will be ending free movement, that we will be leaving the single market, the customs union, the common agricultural policy and the common fisheries policy, and that we will be able to trade freely with the rest of the world. This is a complicated negotiation, and we are determined to achieve success in it. What this proposal will set out to achieve is that we meet our red lines while also addressing those of the European Union. It is fully our intention that the EU will come to the table and start negotiating with the same level of sincere co-operation that we are all signed up to as members of the EU.

The hon. Lady mentioned by name the Under-Secretary of State for Exiting the European Union, my hon. Friend the Member for Daventry (Chris Heaton-Harris), and not in the most charming of terms. I hope that she warned him she was going to mention him. Perhaps she would like to pay tribute to his years as a Member of the European Parliament, which have given him unique insight into the managing of the day one preparations. That will be vital for our country.

The hon. Lady also mentioned the visit of the President of the United States. Is it not fantastic that we live in a free democracy where we are free to set out our own thoughts? Is it not also great that our Prime Minister is meeting the President in order to set out those areas where we want to collaborate and also those areas where we disagree? We made it very clear at the time that we did not agree with the idea of separating children from their parents, and we were pleased that the President signed an Executive order to put a stop to that. That was very important.

The hon. Lady asked whether we could have a debate on free trade deals. Yes, we can—on Monday, Tuesday and Wednesday next week. I hope that she is pleased with that. She also asked whether we could have some Home Office questions answered. We have Home Office questions on Monday. I therefore hope that she is happy with the progress that is being made.

Sir David Amess (Southend West) (Con): I thank the England team for making us roar again, because football does matter and they certainly exceeded our wildest expectations. Will my right hon. Friend find time for a debate on the “do not resuscitate”—DNR—protocols? It can often be traumatic when someone is called to a hospital and asked whether they want their loved one to be resuscitated. This is a profound and dark subject, but it is certainly one that Parliament should consider.

Andrea Leadsom: DNR decisions are traumatic and distressing, so my hon. Friend is right to raise them for consideration. Resuscitation guidance is produced

[*Andrea Leadsom*]

jointly by the Resuscitation Council, the British Medical Association and the Royal College of Nursing, and it suggests that decisions should be made only after sensitive discussions between healthcare professionals and those close to the patient. However, the Select Committee on Health and Social Care may be interested in considering the topic, so I encourage my hon. Friend to take up how we can improve awareness of and guidance on DNR decisions.

Pete Wishart (Perth and North Perthshire) (SNP): I thank the Leader of the House for announcing the business for next week. As the nation awoke with a collective hangover this morning, we can only wonder what could have been. If only David Cameron had not used a vote on EU membership as a means to unite a divided Conservative party! But well done Gareth Southgate, who has done what this miserable Government could never do: unite England under one true leader.

At last, the long-awaited White Paper is being launched this morning, and it probably represents the last chance for this divided shambles of a Government to take forward their chaotic Brexit. It has been launched in the usual shambolic way, however. I just received word that we received the White Paper at 11.53 am, and I presume that that was the same for the Labour Front-Bench team, too. That is no way to progress such important business in the House and shows great disrespect to Members. I hope that the Leader of the House can give some account of what has happened this morning because she failed to respond to the shadow Leader of the House.

There is some good news for the Leader of the House; she is a reasonable shot at 12:1 to take over from the beleaguered Prime Minister, but she is somewhat behind the hon. Member for North East Somerset (Mr Rees-Mogg), who comes in at 5:1. I think it is accepted that this Prime Minister is but one more resignation away from a leadership challenge, so I say to the Leader of the House, without cliché, that if the call of history comes, it is who dares that wins.

I think the nation is appalled by the arrangements for the visit of President Trump. This is a man who demonstrates the worst attributes of misogyny. He scapegoats migrants and displays appalling Islamophobia, yet the Government are rolling out the red carpet. Scotland will be protesting his visit based on what his presidency represents, not our friendship with the United States. Perhaps we can have some sort of debate about what he means for relations between this country and the United States.

Finally, Mr Speaker, you may have seen some delightful children with Scottish accents running around the place this week. That is because their parents are Members of Parliament and the Scottish school holidays have started. Surely we can design a recess that takes account of all summer holidays throughout the UK. Please, make this the last year that this happens.

Andrea Leadsom: The hon. Gentleman asks about the White Paper, and I am sure that he will be delighted, as will all hon. Members, that the new Secretary of State for Exiting the European Union will be making a statement following business questions; there will be the opportunity to ask questions then. In addition, there will be a general debate on the White Paper next week.

Turning to the visit of the US President, I want to make it clear to all colleagues that the objectives of the visit are to recognise and celebrate the unique and close bond between our two countries, to strengthen our bilateral relationship across prosperity, trade, security and defence and to have open, frank discussions on key issues. Opposition Members may like to think that we should simply turn our backs and have nothing to do with the US President, but that means never being able to put our point across. A responsible Government always seek to maintain a close relationship—one where the Prime Minister or the President can pick up the phone at short notice or meet in person to make their case. That was demonstrated emphatically when President Trump strongly supported our response to the Salisbury attack, expelling 60 Russian intelligence officers and encouraging other allies to join our co-ordinated response. The relationship is vital for open and frank engagement.

On childcare, I can tell the hon. Gentleman that I, too, have children who have been running around this place. It is not only Scottish MPs who have childcare issues to resolve; parents right across the United Kingdom have to deal with the school holidays. The whole of Parliament cannot possibly go into recess for the entirety of all the school holidays in order to facilitate childcare arrangements. That is not acceptable to the people of this country, who expect to see their elected politicians working pretty much 24/7 to represent their interests. That said, the hon. Gentleman will be aware that I had a very productive meeting with the SNP Chief Whip and I have agreed to try to facilitate arrangements that will suit SNP Members during the October recess, which is a particular problem for them. I look forward to making progress on that.

Sir William Cash (Stone) (Con): I note from the exchanges that the White Paper has been made available to those on the Front Benches. I must say that those on the Back Benches have an equal interest and it is a matter of great regret that we have not seen it yet, although I understand the point about the statement that is about to be made. It raises very serious questions. Will my right hon. Friend guarantee that we have a proper dialogue, not merely a listening process, because this matter affects the whole of our democratic self-government into the future? Will she also take account of the fact that the European Scrutiny Committee yesterday issued a summons to Mr Oliver Robbins to appear before it on 24 July at an appropriate time? I thought it would be useful to make that clear to the House.

Andrea Leadsom: My hon. Friend has been truly assiduous in his scrutiny of all things to do with the UK's relationship with the EU over many years. The House owes him a debt of gratitude for his careful consideration of these issues. As he would expect, the House will have the opportunity to debate and listen carefully to views right across the House, as happened with the EU withdrawal Bill, on which we had 290 hours of debate and 1,400 amendments were tabled and considered. There will be a general debate on the White Paper next week and further debates and opportunities to discuss the Government's proposals in the White Paper, including in the statement to follow.

Ian Mearns (Gateshead) (Lab): I have to admit to being slightly puzzled, bemused, perplexed and mystified by the Leader of the House's business statement this

morning, because it seems that the business on the 19th and the 24th is business that was determined by the Backbench Business Committee but is no longer under the aegis of the Committee; it looks like the Government have taken back those dates and put on general debates, but on the topics determined by the Committee. I feel a bit perplexed about that. It means that my hon. Friend the Member for Stockton North (Alex Cunningham) will not be able to lead off in the debate on the tobacco control plan and that the hon. Member for Harrow East (Bob Blackman) will not be able to lead off in the debate on matters to be raised before the forthcoming Adjournment, if the Government take back control. I do not know why they have done that.

Also, there is an anomaly with the timing of business in this place. When we return on 4 September, the business of the Chamber will begin on Monday hours, at 2.30 pm, but business in Westminster Hall, where there is scheduled to be a Backbench Business Committee debate, will begin on Tuesday hours, at 9.30 am. That makes life extremely difficult for Members travelling from further afield. I am writing to the Chairman of Ways and Means to see whether we can alter the time in Westminster Hall to reflect Monday hours, not Tuesday hours, so that business can start at the same time across the House.

Andrea Leadsom: I sympathise with the hon. Gentleman's point about Westminster Hall—it does sound quite difficult to manage—and would be happy to help him if I can. On the debates on tobacco and the pre-recess Adjournment, I think he can celebrate the fact that it means he will have extra Back-Bench business days while also having debates that the Committee was keen to have.

Mr Peter Bone (Wellingborough) (Con): I went along to the Vote Office at the same time as the hon. Member for Caerphilly (Wayne David), and there was no EU White Paper there. It is strange that the press had it at 9 o'clock in the morning. That is not how this place should be run. Referring to “the White Paper” is a bit confusing, however, because we now know there are two White Papers. The first was developed by Ministers and officials and sent to all Departments for comment and was in line with the Government's policy at the time, which united 98% of Conservative MPs. We now know there is a second White Paper, developed by officials and Spads in No. 10 and which none of the Ministers saw. If we are to have a general debate next week, it would be really useful if both White Papers were presented. Maybe the House could then divide on which one it prefers.

Andrea Leadsom: My hon. Friend is always full of great ideas for how to proceed. I suggest that he takes this up with the new Secretary of State for Exiting the European Union in the statement to follow.

Chris Bryant (Rhondda) (Lab): Here is the problem: the Government do not have a majority, there is a majority against every single option that has thus far been presented on Brexit and trying simply to unite the Conservative party will, in the end, fail. If the Government are to act in the national interest, rather than in just the party interest, they will have to stop all this jiggery-pokery about trying to hide things from the rest of the House by presenting the White Paper only when the Minister

sits down after talking about it. All of that has to stop. The House has to act in the national interest, and the Government have to stop all the nonsense and start bringing all of us on board, otherwise they will be relying on emergency powers to take us through the next year.

Andrea Leadsom: The hon. Gentleman is absolutely wrong on all counts. He will be aware that the Cabinet met last Friday. Today is Thursday, a few days later, and the Government are coming forward with that White Paper to set it out to the entire House, with a debate next week. The hon. Member for Walsall South (Valerie Vaz) has already complained about the fact we have facilitated a debate.

My right hon. Friend the new Brexit Secretary is about to come to the House to make a statement to enable all hon. Members to quiz him. What the hon. Member for Rhondda (Chris Bryant) and all hon. Members need to understand is that this is a complicated negotiation and that what the Prime Minister is seeking to do is to ensure that we can stick to the red lines we have agreed while, at the same time, sticking to the red lines that the EU has set out. That makes it extraordinarily complicated but also extraordinarily clever, and it is worthy of very careful discussion and debate. [*Interruption.*]

Mr Speaker: Order. It is obvious that there is very considerable unhappiness in the House, and I have heard what the Leader of the House has said. There are conventions on these matters, not all of which will commend themselves to the House. It is not by any means unknown or unprecedented for copies of a document to be issued after a Minister sits down. However, I hope that the Leader of the House might want to reflect on the extent of unhappiness at the idea that the document might not be available to colleagues at the point at which they have the opportunity to question the Secretary of State about it—I put it no more strongly than that. There are conventions, and I am not saying that what the Government are doing is unprecedented.

Andrea Leadsom: Good.

Mr Speaker: The right hon. Lady can think it is good or not think it is good—it is entirely her choice. I do not mind. I am simply stating the factual position, but I think it is important to be sensitive to the fact that there is very considerable upset at the idea that people will not have seen a document about which there is to be a statement and upon which the Secretary of State has come to be questioned. People observing our proceedings from elsewhere might think that is a slightly curious state of affairs.

Sir Edward Leigh (Gainsborough) (Con): I was going to make my normal plea for us to leave the building at the end of this month and lock it down for three months so we can get on with repairing it, but I am struck by what has been said, particularly by you, Mr Speaker. I am a friend of the Government and, frankly, I think it is pretty bad that journalists were given this document at 9 am when we Back Benchers have had no chance to read it. If I am lucky enough, I will ask a question on the statement. You will not want me beetling out of the Chamber to try to read the document. How can I possibly understand it? Of course

[Sir Edward Leigh]

I could do what I normally do and rubbish it before I have even read it but, as the hon. Member for Rhondda (Chris Bryant) said, we are supposed to be a grown-up Parliament. It would have been possible for the Government to have taken us into their confidence and to have allowed us to start reading the document half an hour ago, at least.

Mr Speaker: The hon. Gentleman has spoken, as he always does, with great eloquence. If I may say so, the Leader of the House will take what view she wants of what he says, but he has said it with very considerable style. I think there will be a feeling about the matter, but let us hear what the Leader of the House has to say.

Andrea Leadsom: As ever, my hon. Friend the Member for Gainsborough (Sir Edward Leigh) is absolutely charming and puts it very well. I am delighted to speak to my right hon. Friend the new Secretary of State for Exiting the European Union on this subject. I hear the concern of the House, but the House will also have heard that this is not without precedent. As I put it to the hon. Member for Rhondda, these are difficult times and these are complicated negotiations. It was only last week that the Cabinet agreed a way forward, and I think all hon. Members should accept that the Government are coming to the House as soon as possible to set out the plans and to enable the House to discuss them thoroughly.

Grahame Morris (Easington) (Lab): The Leader of the House will recognise the vital work by the Driver and Vehicle Standards Agency to keep the public and road users safe, but she might not be aware that the DVSA has been in dispute with its staff for the past three years. Before the recess, can we have a statement from the Secretary of State for Transport and a commitment to intervene as a matter of urgency so we can engage meaningfully with management and the Public and Commercial Services Union to end this expensive, damaging and demoralising dispute?

Andrea Leadsom: I am not aware of that particular dispute, but the hon. Gentleman might be aware that there are Business, Energy and Industrial Strategy questions next week. Perhaps he could take it up with Ministers who can look into it for him.

Jeremy Lefroy (Stafford) (Con): I join my right hon. Friend in congratulating the Royal Air Force on its 100th anniversary. In particular, I congratulate the Tactical Supply Wing in my constituency of Stafford. I also declare an interest in that my grandfather was a member of the Royal Air Force when it was founded. He is the reason I am in this country and a proud Briton; he was born in Canada and came over.

Can we have a debate on the emergency service within the national health service? Ten years ago, the Royal Stoke University Hospital was due to be made smaller, and in fact was made smaller, and now there is a recognition that additional beds are needed. A few years ago, my constituents also realised that Stafford Hospital needed its A&E, even when experts said it did not. It is clear that we need all the A&E departments we have across the country and that there should be a

moratorium on any further closures. Can we have a debate on that? The common sense of ordinary people often sees better than experts.

Andrea Leadsom: First, I pay tribute to my hon. Friend's amazing support for his hospital in Staffordshire. All hon. Members will recognise that he has worked tirelessly to try to improve the position for all his constituents who use that hospital. Of course, he is absolutely right that any decisions about hospital provision are required to be discussed and consulted on locally, including with local health providers, which are better placed to know what is needed in their area. I am sure he will be delighted to hear of the increased funding—3.4% in real terms each year, on average—that will be given to the NHS in this its 70th year. I remind him that we have Health and Social Care questions on 24 July, when he might like to raise the matter directly with Ministers.

Chris Stephens (Glasgow South West) (SNP): Wednesday 18 July will be the centenary of the birth of the great Nelson Mandela. Will the Leader of the House allow time on 18 July for us to debate the life of Nelson Mandela and the role of the anti-apartheid movement in the United Kingdom? Will she commend the Nelson Mandela Scottish Memorial Foundation, which is fundraising for a statue of Nelson Mandela to be erected in the great city of Glasgow?

Andrea Leadsom: The hon. Gentleman raises an important point. There is an enormous recognition right across the world of the extraordinary work of Nelson Mandela in the truth and reconciliation process that took place in South Africa when he became its President. It was quite extraordinary and I do not think we have seen anything like it anywhere else in the world. It is always a great pleasure to see the statue of Mandela in our own Parliament Square, and I congratulate and wish the best of luck to the hon. Gentleman's Scottish organisation that is seeking to set up a memorial in Scotland.

Alec Shelbrooke (Elmet and Rothwell) (Con): About a year ago, I held an Adjournment debate in this Chamber about young Harry Whitlam, who was killed by a drunk-driver of a tractor. This man was three and a half times over the limit and he crushed Harry, in a totally avoidable accident—[*Interruption.*]

Mr Speaker: I apologise to the hon. Gentleman, but the acoustics have not been great in the Chamber this week and a number of times Members have not been fully heard. I heard someone who wanted to hear the hon. Gentleman saying that he could not hear. Perhaps the hon. Gentleman could just boom a bit.

Alec Shelbrooke: It is not often that has been requested of me.

Harry was 11 when he was killed by the tractor. As the accident took place on private land on a farm, the driver could only be charged under health and safety legislation and he got an 18-month sentence—for a totally avoidable accident. In my earlier debate, I asked for the law to be looked into so that we could get parity of esteem, whereby accidents on private land should have the same consequences in law as accidents on public land. The Under-Secretary of State for Transport,

my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman), met me, the family and their solicitor last October. I have received letters since then outlining that the Government want to move forward with this but it is a complicated case. Tomorrow, it will be one year since I had that Adjournment debate and I am no clearer as to where the Government are on this. May I therefore ask my right hon. Friend the Leader of the House whether the relevant Minister could come to the Chamber to give us a statement on where this sits and how progress is being made?

Andrea Leadsom: This is a really tragic case, and my heart goes out to Harry's family. I am pleased that my hon. Friend secured an Adjournment debate, as this is clearly something the Government need to look closely at. I am also pleased that the Under-Secretary of State, who is responsible for road safety, met him and Mrs Whitlam to discuss the tragic death of her son. I can tell him that I have been reassured that discussions are taking place between the road safety Minister and the Minister for Disabled People, Health and Work to look at what more can be done, but I encourage my hon. Friend the Member for Elmet and Rothwell (Alec Shelbrooke) to write to both Ministers asking for a joint update on his specific point about a law change. If he wishes to write to me, I can take it up with them on his behalf.

Tracy Brabin (Batley and Spen) (Lab/Co-op): May we have a debate on the apparent reluctance of the Ministry of Defence to take out child maintenance from its employees' salaries? My constituents have battled for months, with the support of the Child Maintenance Service, but to no avail. It seems that children are suffering and the MOD is dragging its feet. I have talked to other Labour Members about this and it seems it is not a rare occurrence. Surely it is easier to take money from salaries than to go through an expensive court case. This is a hugely important issue for families for whom child maintenance is an important and valid part of their budget.

Andrea Leadsom: The hon. Lady is raising an important point. It is not something I was aware of, but I can assure her that this Government have done a great deal to enshrine in law the armed forces covenant, to ensure that we are providing much better support for veterans in terms of their housing, accommodation and so on. A lot has been done, but she raises an important point and I suggest she seeks an Adjournment debate so that she can ask Ministers directly what they can do to help.

Andrew Selous (South West Bedfordshire) (Con): May we have an urgent debate on the importance of equality under the law in promoting community cohesion? If I were to gain access to land illegally, cause damage and leave a large amount of litter, I would expect the full force of the law to come down on me in terms of paying for that damage and the clear-up costs, and my constituents would expect the same. Last year, about £250,000 was spent in my constituency cleaning up after Travellers. Houghton Regis Town Council has just had to spend another £4,500 after an incursion on the green. People are fair-minded, but they want the law to apply to everyone and that helps us all to live peacefully and well together.

Andrea Leadsom: My hon. Friend is absolutely right to raise the issue of littering. Whether we are talking about fly-tipping or the mess left by people who are camping illegally, more needs to be done. This is certainly one of the top five or six issues that people raise when they are asked what the problems are in their communities. The Department for Environment, Food and Rural Affairs is taking this very seriously, having introduced the first English national litter strategy. He is right to raise this and he may well want to seek an Adjournment debate so that he can discuss it further with Ministers.

Vicky Foxcroft (Lewisham, Deptford) (Lab): The cross-party Youth Violence Commission is publishing its interim report next Wednesday. Will the Leader of the House commit to reading its recommendations and help me to secure the required debates in Parliament with all the relevant Departments on this extremely important issue?

Andrea Leadsom: The hon. Lady frequently raises in this place the issue of serious violence, and she is right to do so. I commend her for her work in this area. I was pleased to be able to give a debate in Government time on the serious violence strategy, and she will be aware that on a number of occasions Ministers have come to this place to discuss what more can be done. We also have the Offensive Weapons Bill coming forward, which will try to make it much harder for young people to access serious weapons. I absolutely accept her invitation to read the report on youth violence carefully and to work with her to see what more can be done in this area.

Jack Lopresti (Filton and Bradley Stoke) (Con): I led the most recent delegation to the Kurdish region of Iraq a few weeks ago. We visited the Iraqi Parliament, and we were thrilled and delighted that the Kurdish Parliament is forming its first all-party group on the UK. May we have a debate on how we continue to work on our fantastic bilateral relations with the Iraqi Kurds and how we can help them to strengthen their institutions, Parliament and fledgling democracy?

Andrea Leadsom: My hon. Friend, as chairman of the all-party group on the Kurdistan region in Iraq, is right to be delighted that Kurdistan will have an all-party group on the UK. That kind of bilateral development of a relationship is incredibly important, and he might like to seek a Westminster Hall debate so that all hon. Members can talk about their experiences in supporting the Kurdish region.

Dame Louise Ellman (Liverpool, Riverside) (Lab/Co-op): The Minister for Health has assured me that he is working hard to appoint a contractor to complete the new Liverpool University Hospital, whose construction has remained at a standstill since the collapse of Carillion more than six months ago. It is very unclear whether there is any real sense of urgency and whether the Treasury is co-operating with the Department of Health and Social Care. May we have a statement on this, as the people of Liverpool need to know what is going on and, above all, they need their new hospital?

Andrea Leadsom: The hon. Lady is right to highlight the importance of this hospital to her constituents. If Carillion was involved, I can understand that she may

[*Andrea Leadsom*]

have specific concerns. We have Business, Energy and Industrial Strategy questions and Health and Social Care questions on the last day before the recess, which provides two opportunities for her to raise those specific points about her local hospital.

Douglas Ross (Moray) (Con): The Leader of the House highlighted the spectacular RAF display we saw in London this week. The military theme continues on Sunday with a documentary entitled “Dunkirk: The Forgotten Heroes” being shown on Channel 4. It features one of my constituents, Donald Smith from Forres, whom I have had the pleasure of meeting in my time as MP for Moray. May we have a debate about the contribution the military make to a country and the contribution that so many heroes such as Donald Smith have made, to ensure that they are truly never forgotten?

Andrea Leadsom: It was fantastic to see the crowds of people who turned out to cheer the RAF fly-past. There can be no better reassurance of our determination to remember the bravery and dedication of our current and former service personnel. I pay tribute to Donald Smith, who is one of those to whom we owe an extraordinary debt. We do, of course, observe Armed Forces Day and Remembrance Day as an important gesture every year to show our gratitude to all those who protected our country.

Ruth Smeeth (Stoke-on-Trent North) (Lab): Stoke’s *The Sentinel* newspaper is this afternoon presenting a petition to the Prime Minister at No. 10 as part of its NHS SOS campaign. Following on from the question from the hon. Member for Stafford (Jeremy Lefroy), may we have a debate in Government time on the need for proper investment in our NHS and for a truly integrated health economy?

Andrea Leadsom: I am sure that the hon. Lady will welcome the enormous increase in health funding that the Government have agreed, which will be worth 3.4% in real terms each year from 2019-20 to 2023-24. She asks for a debate on health; we have had several health debates and plenty of opportunities for discussion, and there will be many further chances to debate health issues, not least at Health and Social Care questions on the last day before the recess. All Members might like to know the excellent statistics coming from our NHS. For example, Sir Simon Stevens, the chief executive of NHS England said:

“What’s been achieved in England over the past three years?... Highest cancer survival rates ever—latest survival figures show an estimated 7000+ more people surviving cancer after successful NHS cancer treatment compared to three years prior.”

This is about not only cancer treatment but the thousands more operations being carried out and millions more people being seen. The NHS is in very good hands with this Government.

Andrew Bowie (West Aberdeenshire and Kincardine) (Con): This past Saturday, it was a genuine pleasure to welcome the mayor of Achères in northern France to Stonehaven in my constituency, where a twinning agreement between the two towns was signed. Will the Leader of the House agree to hold a debate in Government time

on the importance of twinning arrangements and the benefits that they can bring? As we are leaving the EU, such arrangements demonstrate that we are not leaving Europe and that the bonds of friendship and co-operation with our neighbours across the channel will continue and endure.

Andrea Leadsom: My hon. Friend is absolutely right. The UK Government recognise the value of effective partnerships between strong and active communities right across Europe and throughout the wider world. That is why at the UK-France summit in January the Prime Minister was proud to announce our intention to support a new generation of links by bringing together mayors, leaders of city regions and others as they address today’s challenges. Jointly with the French Government, we have set an objective of having 10 new twinings every year until 2022. I congratulate my hon. Friend on raising in this place the success of his local twinning ceremony.

Thangam Debbonaire (Bristol West) (Lab): On 3 May—two months ago—the Leader of the House told me that a White Paper on the immigration Bill would be forthcoming “in the coming months”. That was two months ago and recess is hurtling towards us. Will she please enlighten me on whether the immigration Bill is going to see the light of day before the recess, after the recess, before the conference recess, or even before Christmas? Will it even be here before we leave the European Union next March?

Andrea Leadsom: As I have said frequently in this place, we will bring forward all the Brexit legislation, as we need to, in good time before we leave the European Union, and that includes publishing the White Paper. To be clear, this is a complicated negotiation. Normally in a parliamentary Session, we have the issues of getting the Government’s legislation through with Parliament scrutinising it. What is unique about this period is that a careful negotiation is also going on with our EU friends and partners, so we have to look carefully at policy at the same time as legislation. We will continue to do that.

Chris Davies (Brecon and Radnorshire) (Con): Agricultural shows play a vital role in the social, economic and cultural life of communities right across the country. With the Royal Welsh show—the largest agricultural show in Europe, if not the world—taking place in my constituency the week after next, may we have a debate on the value of agricultural shows to rural communities? Will my right hon. Friend join me and the Secretary of State for Environment, Food and Rural Affairs at the Royal Welsh show?

Andrea Leadsom: I am rather delighted to confirm to my hon. Friend that I will be coming to the Royal Welsh show the week after next. I am very much looking forward to visiting the first ever UK Government stand, run by the office of the Secretary of State for Wales. My hon. Friend is right that agricultural shows play an important part in rural life and are a great way to demonstrate the best of British food and farming.

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): Will the Leader of the House join me in congratulating Coia’s Cafe in my constituency, which is celebrating its

90th anniversary, serving delicious Italian food to the people of Glasgow? The café was opened by Carmine and Amalia Coia, Italian immigrants to the city, and has been run by the family ever since. It is currently owned by Alfredo and Antonia Coia, the third generation of the family to run the business. In this era of the hostile environment, may we have a debate in Government time on the amazing contribution that the Scots-Italian community have made to our country over the past century?

Andrea Leadsom: I am disappointed that the hon. Gentleman has not asked me to come and join him there—it sounds fantastic. I congratulate the Coia family for their contribution to Scottish food and to the life of Scotland and Glasgow in particular. The hon. Gentleman will appreciate that there have been and will continue to be many opportunities to discuss and debate the amazing contribution made by so many EU and other migrants to this country and their value in this country.

Christian Matheson (City of Chester) (Lab): This week, I have had meetings with both Transport for the North and Highways England to pitch a case for investment in the M56, which is clogged up and overcrowded, but all roads—pun intended—seem to lead back to a decision made at the Department for Transport. May we have a debate on the Government's forthcoming road investment strategy part 2, so that we can make the case for extra investment for the M56?

Andrea Leadsom: I am glad that the hon. Gentleman mentioned the Government's review of the strategic road network, which will be very important. I am absolutely sure that Ministers will come to the House to set out the plans as soon as they are able to.

Paula Sherriff (Dewsbury) (Lab): Since 2010, we have seen eight Housing Ministers, with the latest one on the ministerial merry-go-round, the hon. Member for North West Hampshire (Kit Malthouse), having once said that he was happy to make life “more uncomfortable” for homeless people. I genuinely have not seen any improvement, not just in my constituency but here in London and in our other big cities. It seems as though there has been a real deterioration. Will the Government make a statement or provide time for a debate on what progress they have made on eradicating homelessness?

Andrea Leadsom: The hon. Lady is absolutely right to raise the issue of homelessness. We do not want to see anybody homeless or sleeping rough. We have pledged to halve rough sleeping by 2022 and to end it by 2027, and homelessness fell last year. We have committed more than £1.2 billion to tackling homelessness and rough sleeping. She might like to know that we have Housing, Communities and Local Government questions on Monday 23 July.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): On Wednesday next week, I will chair a session of the all-party group on terminal illness in which we will take evidence on the impact of benefits on the terminally ill. May we have a debate in Government time on the difficulties, indignity and hardship suffered under the UK Government's welfare policies, as outlined by the Motor Neurone Disease Association and Marie Curie and in the personal testimony of the dying?

Andrea Leadsom: The hon. Gentleman raises the serious issue of how terminally ill people are treated. It is absolutely clear that if somebody has a terminal illness they need to be treated with the utmost sensitivity. There is no need for people to self-certify that they have a terminal illness, and they now have several options as to how they would like to progress through the welfare system. They can appoint a representative, such as a doctor or friend, to provide representation for them. These things are all incredibly important. If the hon. Gentleman wants to raise a specific case, I encourage him to take up it with Ministers directly.

Kate Green (Stretford and Urmston) (Lab): Following months of disruption, Northern Rail has now announced a compensation scheme for season ticket holders, but no special arrangements are being made for those who suffered disruption but did not hold season tickets, and delay repay simply does not meet the inconvenience that they suffered. May we have a debate on the compensation schemes offered to rail passengers?

Andrea Leadsom: We have all been really frustrated—sometimes at first hand, but very much on behalf of our constituents—by some of the appalling delays for rail passengers. They have been completely unacceptable, and my right hon. Friend the Secretary of State for Transport has taken strong action to try to put the timetabling right and to ensure that all lessons are learned. It is vital that passengers get the compensation they deserve, which is why we have put in place a scheme for them to claim back up to 100% of their fares.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I was going to ask the Leader of the House for a debate on the Brexit White Paper, but she has already announced one. Instead, may we have a debate on another shambles involving multiple plans that is running behind schedule—the electrification of the south Wales main line, which we have heard has now been delayed to an undetermined date? Great Western Railway services are regularly being cancelled or delayed, or are breaking down, offering an appalling service to my constituents in Cardiff South and Penarth.

Andrea Leadsom: The hon. Gentleman will be aware that this Government are presiding over the biggest investment in the rail network since Victorian times. That is absolutely vital. On electrification, my right hon. Friend the Secretary of State has made it clear that we want to ensure that the funding will count and that we take advantage of the best technologies to give passengers the improved journeys that they rightly expect, while avoiding unnecessary disruption.

Dr Roberta Blackman-Woods (City of Durham) (Lab): Durham is currently reviewing its strategy to tackle obesity, including childhood obesity, and has identified a huge problem with the availability and take-up of community sports facilities. That is perhaps not surprising given the massive cuts to the council since 2020. Following a week when we have all been concentrating on sport, will the right hon. Lady make time for a debate on how her Government can better fund community sports facilities?

Andrea Leadsom: The hon. Lady is absolutely right to raise the importance of sport, particularly this week. Hopefully, we will not just be sitting on our sofas

[*Andrea Leadsom*]

watching it, but getting up and taking part in it. She is right that, in schools, sport, as well as an active lifestyle, is absolutely key, and I hope that she will be looking carefully and feeding into the Government's obesity strategy as we come forward with the next phase.

Andy Slaughter (Hammersmith) (Lab): GP at Hand, a partnership between GP surgeries and Babylon, a private company, is distorting the primary care system not only in my constituency, but across London, according to the British Medical Association, by using a loophole to sign up tens of thousands of mainly young and elderly people from across the region for online medical services, thus leaving other GPs to deal with more complex and expensive conditions. May we have a debate on private sector involvement in the NHS where this puts profit above patient care?

Andrea Leadsom: The hon. Gentleman raises what sounds like a very concerning case, and he is right to do so. I encourage him to seek an Adjournment debate so that he can raise his specific concerns directly with Health Ministers.

Melanie Onn (Great Grimsby) (Lab): Owing to cuts by the Tory-controlled council, Scunthorpe's citizens advice bureau is having to make redundancies, and now I hear that a loss of Lotto funding means that the Grimsby-based CAB is also having to look at its staffing. These centres are so important to the residents across northern Lincolnshire. The staff are highly trained and always professional, so, please, may we have a debate on the future funding of citizens advice bureaux?

Andrea Leadsom: I pay tribute to all of the excellent work of citizens advice bureaux right across the country. They are so often staffed by volunteers who are really trying to help their fellow citizens; it is absolutely vital work. The hon. Lady is right to raise the question of funding. It is for local authorities to make those decisions, but she might like to seek a Backbench Business debate so that all Members can share their views about what more can be done to support citizens advice bureaux.

Diana Johnson (Kingston upon Hull North) (Lab): I wonder whether the Leader of the House might find some time for this House to make some suggestions to President Trump's itinerary. I notice that, at the moment, he seems to be going to castles, country houses and golf courses. In the light of her comments about having frank and open discussion, I wonder whether we could include in his itinerary a visit to Scunthorpe steelworks, a woman's refuge and Winston Churchill's home at Chartwell?

Andrea Leadsom: The hon. Lady might appreciate that it is slightly above my pay grade to decide the itinerary of the President of the United States. I do take her point that, often with these types of visits from Heads of State, it is very difficult for them to go to all the parts of the country that we would like them to visit. Nevertheless, this will not be the last time, and I suggest that she make her views known to the Foreign Office direct and she can put in that bid very early on.

Alan Brown (Kilmarnock and Loudoun) (SNP): My constituent, Mr Robb, was diagnosed with cancer in 2015, and he was subsequently awarded contribution-based employment and support allowance. In September, he

qualifies for his state pension, but he is having to undergo another ESA questionnaire and attend a work capability assessment. His doctor is annoyed, too, because he is having to complete a Department for Work and Pensions form outlining my constituent's medical conditions—all for a benefit that my constituent will not access until he gets his pension. May we have a statement about introducing a Government policy with a cut-off date for benefit reassessments when people are approaching pension age?

Andrea Leadsom: The hon. Gentleman raises a very specific constituency case, and I am very sympathetic. If he would like to write to me, I would be happy to take it up directly with Ministers on his behalf.

Kate Green (Stretford and Urmston) (Lab): On a point of order, Mr Speaker. I am grateful to you, Mr Speaker, because I know that you are accommodating me while the Leader of the House is still on the Bench, and I appreciate that. I have given both the Leader of the House and the hon. Member for Bridgwater and West Somerset (Mr Liddell-Grainger) notice that I intended to raise this issue.

On 21 June, during business questions, the hon. Member for Bridgwater and West Somerset, speaking about the arrival of Travellers in Taunton, described this as “an enormous invasion”. In her response, the Leader of the House spoke of “the problem of Travellers”. She has kindly written to me this morning to explain that she was not referring to Travellers as a problem, but specifically to the concern about unauthorised encampments. She added that she had the “greatest respect” for the travelling communities and celebrates their “unique culture”.

Mr Speaker, you will be aware that Travellers are recognised as a protected race under the Equality Act 2010. I appreciate the correspondence of the Leader of the House with me today, but Traveller groups have told me that they found the exchange on 21 June hurtful, offensive, stigmatising and discriminatory. I doubt whether the terms would have been used about any other racial group. May we have your advice, Mr Speaker, on the need for respectful and non-stigmatising language in the Chamber for all ethnic minorities?

Mr Speaker: I obviously wanted the hon. Lady to have the opportunity to put her point, and the Leader of the House was notified of that and was perfectly content with that as far as I am aware and there seems to be an apposite quality about this exchange. If the Leader of the House wants to say something, we look forward to hearing her.

Andrea Leadsom: What the hon. Lady fails to mention is that I also said to her that I was extremely disappointed that she appears to have deliberately chosen to misunderstand my words. It was quite clear from what I said that I was talking about the problem of illegal encampments. She has attributed to me views that I do not hold. I have the utmost respect and regard for the history and the way of life of the travelling communities. I was utterly offended by her letter and I am offended by her point of order. I sincerely hope that she will consider carefully trying to arouse this offence to a travelling community where none was intended and absolutely none was given.

Kate Green *rose*—

Mr Speaker: We cannot continue the debate. [*Interruption.*] Order. I have heard what the Leader of the House has said. We cannot have a debate on the matter today. If there is a procedural point, I will hear it, but if there is just a difference of opinion, we had better leave it there for now. The hon. Lady has expressed her point with considerable force, and the Leader of the House has responded in similar vein, putting her point of view and that seems to be appropriate.

EU: Future Relationship White Paper

12.47 pm

The Secretary of State for Exiting the European Union (Dominic Raab): With permission, Mr Speaker, I will make a statement about the UK's future relationship with the European Union.

I pay tribute both to my right hon. Friend the Member for Haltemprice and Howden (Mr Davis) for his Herculean efforts and to my hon. Friend the Member for Wycombe (Mr Baker) and the wider Department for Exiting the EU team for getting us to this point in both the negotiations and the successful passage of the European Union (Withdrawal) Bill through Parliament. It is a striking achievement. My right hon. Friend is a loss to Government, but I suspect, with the mildest apprehension, a considerable gain to this House.

Today, we publish the Government's White Paper on the UK's future relationship with the EU. It is a new and detailed proposal for a principled, pragmatic and ambitious future partnership between the UK and the EU in line with the policy agreed at Chequers last week. I have now placed a copy of the White Paper in the Libraries of both Houses.

Let me briefly set out the key proposals. The Government are determined to build a new relationship that works both for the UK and the EU: one that is grounded in our shared history, but which also looks to a bright and ambitious future; and a relationship that delivers real and lasting benefits to both sides.

First, the White Paper confirms that the UK will leave the European Union on 29 March 2019, forging a new way in the world, outside the single market and outside the customs union. It safeguards the constitutional and economic integrity of the UK. It reclaims the UK's sovereignty and it protects our economic interests by minimising the risk of any disruption to trade. It delivers on the instruction that we received loud and clear from the British people to take back control over our laws, our borders and our money.

In delivering on this vision, the Government propose an innovative and unprecedented economic partnership based on open and free trade, maintaining frictionless trade through a new UK-EU free trade area for goods, underpinned by an ongoing common rulebook covering only those rules necessary to provide for frictionless trade at the border. This will support business and meet our shared commitments to Northern Ireland and Ireland, avoiding reliance on the so-called backstop solution. A key component of this will be our proposal for a facilitated customs arrangement—a business-friendly model that removes the need for a new routine customs check and controls between the UK and the EU, while enabling the UK to control its own tariffs to boost trade with the rest of the world. We want a deep and comprehensive deal on services, based on the principles of international trade. Our approach minimises new barriers to service provision, allowing UK firms to establish in the EU and vice versa, and provides for mutual recognition of professional qualifications.

On financial services, we propose a new economic and regulatory approach with the EU that will preserve the mutual benefits of our uniquely integrated markets, while protecting financial stability and, critically, the autonomy of our own rule making. Crucially, our proposals

[Dominic Raab]

on services provide the UK with regulatory flexibility in the sector, including our dynamic, innovative and digital sectors, which will in turn open up new possibilities in relation to trade with the wider world.

As we leave the EU, free movement of people will come to an end. We will control the number of people who come to our country. We will assert stronger security checks at the border. [Interruption.]

Mr Speaker: Order. The Secretary of State is trying to complete his statement in circumstances in which there is manifest discontent in the Chamber. Let me say to the right hon. Gentleman, whom I welcome to his new responsibilities and whom I congratulate on his promotion to the Cabinet, that I recognise that collective decisions are made upon these matters and they are not all his individual doing. It is a source of considerable unhappiness in this Chamber, as is manifest—and has been over the last hour or so—on both sides of the House, that the right hon. Gentleman is delivering a statement about a White Paper, copies of which are not currently available to Members of the House of Commons. I say to the right hon. Gentleman that it might be considered courteous now to indicate at the Dispatch Box if he so wishes, in terms that brook of no misunderstanding, that he is of course perfectly happy for Members to have copies of the White Paper about which it is intended that they should question him. If he would be good enough to make that clear, it would greatly assist the House. Were he not to do so, I think that the consequence in terms of Chamber unhappiness would become that much more stark.

Dominic Raab: Thank you for your warm words, Mr Speaker. The White Paper should have been made available. It will be made available as soon as is practically possible and—[Interruption.]

Mr Speaker: Order. I am grateful to the Secretary of State for what he said. I am advised that copies are available to some people. If there are copies in the Vote Office, all I am asking the right hon. Gentleman is this: is he content, as a member of Her Majesty's Government—indeed, the Cabinet thereof—that Members of Parliament should have a copy of the White Paper about which they are to question him? It is quite a simple inquiry.

Dominic Raab: Yes, of course. Just for clarity, it is already available on the website for anyone who wishes to procure it that way. [Interruption.]

Mr Speaker: Order. I genuinely thank the Secretary of State for saying that and I appreciate that he is attempting to co-operate. As the document is in the Vote Office, but the timing of the release of the document is a matter for those who own the document—in this case, the Government—all I am asking is, is the right hon. Gentleman content that copies should be given out by the Vote Office immediately?

Dominic Raab: Yes, absolutely.

Mr Steve Baker (Wycombe) (Con): On a point of order, Mr Speaker.

Dr Sarah Wollaston (Totnes) (Con): On a point of order, Mr Speaker.

Mr Speaker: Order. I will just say to the hon. Member for Wycombe (Mr Baker)—an immediate past Minister in the Brexit Department—and to the hon. Member for Totnes (Dr Wollaston), that I will not take points of order now, because the Secretary of State has to finish his statement. However, if Members are concerned that ordinarily if they leave the Chamber to get a document they are then precluded from taking part in the statement, I will waive that normal arrangement in this instance, because I am concerned to operate in a way that serves Members of the House.

Dr Wollaston: On a point of order, Mr Speaker.

Mr Speaker: I cannot see why there has to be a point of order now. I always attach the very greatest importance to the observations of the hon. Lady. If she wants to beetle over to the Chair and explain to me privately, she may, but it foxes me as to why she needs to make any point of order now. [Interruption.] Good, I am very pleased to see that the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) has a copy of the document. Meanwhile, let us hear the conclusion of the statement. [Interruption.] Order. I say to the Secretary of State that it would be very unseemly—discourteous to him and to the Members of the House—for his statement to be delivered while copies of the document are being distributed. I will therefore suspend the sitting of the House for five minutes. It is most regrettable that this situation has arisen, but I am dealing with it in a way that I think is constructive.

12.56 pm

Sitting suspended.

1.1 pm

On resuming—

Mr Speaker: Order. I invite the Secretary of State to continue with the delivery of his statement.

Dr Wollaston: On a point of order, Mr Speaker.

Mr Speaker: Just before that, I will, exceptionally, take the point of order. These situations do not arise very often, and it is very much to be hoped that they will not arise frequently in future. I say for the benefit of the people observing our proceedings that I call the hon. Lady to raise a point of order in the knowledge that she is not only the Member for Totnes and the Chair of the Health Committee but serves also as the Chair of the Liaison Committee, which embraces all the Chairs of all the Select Committees of this House.

Dr Wollaston: Thank you, Mr Speaker. Given the exceptional importance of this document, and the fact that Members on both sides of the House have not had a chance to read it in advance, may I ask, exceptionally, that you suspend the sitting for longer to give Members a chance to read it before the Secretary of State continues?

Mr Speaker: I am grateful to the hon. Lady for her point of order. I do not think it is right for me to suspend for a sustained period off my own bat, in the expectation—perhaps even the knowledge—that there would be very strongly differing views about such a

suspension. [*Interruption.*] Order. Even as the hon. Lady raised her point of order, I heard Members expressing enthusiasm for the idea and Members expressing opposition. I do not think it would be the right thing to do now, in all honesty. There will be an opportunity for a general debate on our relationship with Europe post Brexit on Wednesday, and Members know that there are other opportunities to put urgent questions. I know that the hon. Lady is concerned about the legislative business on Monday. My advice to her is that she should form the clearest possible impression of Government policy and intent today before making such judgments as she and others have to make. The exchanges on this statement will be run fully. I think I will leave it there for today. I thank the Secretary of State for his forbearance.

Dominic Raab: Thank you, Mr Speaker.

As we leave the EU, free movement of people will come to an end. We will control the number of people who come to our country. We will assert stronger security checks at the border. The Government will also seek a reciprocal mobility arrangement with the EU in line with the approach we intend to take with other key trading partners around the world. In practice having ended free movement, this is about enabling firms to move their top talent across borders to deliver services, facilitating travel without a visa for tourism and business trips, and making sure that our students and youngsters in the UK and the EU continue to benefit from the educational opportunities in universities and colleges—and indeed from the rich tapestry of cultural life right across the continent.

Next, the White Paper addresses Europe's security, which has been and will remain the UK's security. That is why the Government have made an unconditional commitment to maintain it. The Government's proposal is for a new security partnership with the EU to tackle the shared, complex and evolving threats, enabling the UK and the EU to act together on some of the most pressing global challenges. It is important that the UK and the EU can continue operational co-operation on law enforcement and criminal justice to keep people safe right across Europe. Our proposals extend to other areas of co-operation of vital importance to the UK and the EU, including the continued protection and exchange of personal data; new arrangements on fishing; and co-operative accords on science and innovation, culture, and defence research.

When we leave the EU, the European Court will no longer have jurisdiction over this country. At the same time, we will need to be able to interpret what we have agreed accurately and consistently, and to manage any future bones of contention sensibly and responsibly. Our proposals provide for proper accountability and the consistent interpretation of UK-EU agreements by both parties. We envisage resolving disputes that may arise through arbitration. That is fair, balanced, and reflective of global practice. To provide the foundation for a new and enduring relationship, the agreement must be flexible enough to enable us to review and, if necessary, revise its operation over time in the best interests of this country, as is common in free trade agreements across the world.

I would like to make one thing very clear: we will not sign away our negotiating leverage or spend taxpayers' money in return for nothing. The financial settlement

that was agreed in December, which substantially lowered EU demands, was agreed on the basis that it would sit alongside a deep and mutually beneficial future partnership. We agreed that we would meet our commitments as they fall due, with ever-declining payments over a finite period that add up to a tiny fraction of what would have been our net contribution. Both sides have been clear that nothing is agreed until everything is agreed. Indeed, that is in keeping with the spirit of article 50. There should be a firm commitment in the withdrawal agreement requiring the framework for the future relationship to be translated into legal text as soon as possible. Of course, if one party fails to honour its side of the overall bargain, there will be consequences for the whole deal. For our part, today, with the publication of this White Paper, the UK Government are demonstrating, in good faith and with good will, our ambition and resolve to ensure that we do build that deep and special partnership.

The Prime Minister first outlined the blueprint for a deep and special relationship with the EU at Lancaster House, and expanded on it further in speeches in Florence, in Munich, and at Mansion House. Those speeches have shaped and continue to shape our negotiations with the EU. I am confident that a deal is within reach, given the success of the Prime Minister and her negotiating team so far. Most issues under the withdrawal agreement have by now been resolved, with a deal in place to secure the rights of over 3 million EU citizens living in the UK and about 1 million UK citizens living in the EU. We have agreed a time-limited implementation period that gives businesses, government and citizens the certainty to plan their lives and invest for the future. We will shortly publish a White Paper on the withdrawal agreement and implementation Bill setting out how we will give effect to the withdrawal agreement in domestic law and demonstrating to the EU that the UK is a dependable negotiating partner—one that will deliver on its commitments.

Our discussions with the EU will squarely focus on our shared future. This White Paper sets out how we can achieve that new partnership. Now it is time for the EU to respond in kind. We approach these negotiations with a spirit of pragmatism, compromise and, indeed, friendship. I hope and trust that the EU will engage with our proposals in the same spirit, and I plan to meet Michel Barnier next week to discuss the detail in person.

At the same time, the Government are preparing in the event that that spirit of pragmatism and good will is not reciprocated. On Monday I spoke with my right hon. Friend the Prime Minister, and we agreed to step up our planning for the no deal scenario so that the UK is ready for Brexit no matter what the outcome of these negotiations is. That is the responsible thing for a Government to do.

This White Paper sets out the right Brexit deal, delivering on the result of the referendum; taking back control over our money, laws and borders; supporting the economy by maintaining a strong trading relationship after we have left; ending free movement while avoiding a hard border between Northern Ireland and Ireland, or indeed between Northern Ireland and Great Britain; restoring sovereignty to Parliament and the authority of the UK Supreme Court; seizing the opportunity to forge new trade deals around the world; and maintaining co-operation with the EU in the many other areas that we prize, including security co-operation to keep our

[Dominic Raab]

people safe. This is our vision for a bold, ambitious and innovative new partnership with the EU. Principled and practical, faithful to the referendum, it delivers a deal that is good for the UK and good for our EU friends. I commend this statement and the White Paper to the House.

1.11 am

Keir Starmer (Holborn and St Pancras) (Lab): I welcome the new Secretary of State to his place. I am sure he does not need me to tell him the size of the task he faces, negotiating with not just the Conservative party but eventually the EU as well. Whatever our differences—and there are many—I genuinely wish him well.

I gently say that the Secretary of State has not got off to a very good start. The utter shambles of the last 20 minutes, which led to the suspension of the House during a statement, is clear evidence of why the Government are in such a mess. [Interruption.] Those on the Government Front Bench are commenting from a sedentary position. Normally I would thank the Secretary of State for advance sight of the White Paper, but on this occasion, my first question to him is: why did the Government think it appropriate to share the White Paper in full with journalists at 9 am today—I think they were given 15 minutes to read it before questions could be asked, unlike the five minutes that we adjourned for—and give them hard copies, and only to provide the Opposition with a copy three hours later? As he will know, my office has been on to his office all morning asking for this White Paper. It was delivered at 11.55 am, and we saw the shambles that followed. Why was it appropriate on this occasion, on this issue, to give it to the press at 9 am and to the Opposition three hours later?

That is not the only breach of protocol. I was handed the Secretary of State's statement as we finished business questions. But for the point of order, it would have been as he stood up. That is in breach of the ministerial code, which suggests giving 45 minutes. It is deeply discourteous, and it is unacceptable. I have to say, having heard the statement, that I did not miss much, but the serious point is this: the point of these statements is to allow questions to be asked of the Secretary of State, and by proceeding in this way, with this utter shambles, we are denied proper scrutiny of this White Paper. I am sure the House would like to know—

The Secretary of State for Environment, Food and Rural Affairs (Michael Gove): What Labour's policy is.

Keir Starmer: I think the Secretary of State for Environment, Food and Rural Affairs went on one of the television shows on Sunday morning and said that the great thing about the Chequers compromise is that it has united the Cabinet—just hours before the Brexit Secretary started penning his letter and then the Foreign Secretary did the same—so I will not be taking too much advice from him.

As for the new Secretary of State, I am sure the House would like to know when he was first shown the contents of the White Paper. He was not at Chequers, so when did Olly Robbins tell him that this was the policy he now had to sell? That is an important question, because it appears that two White Papers are being published

today: the one before the House, and the alternative one apparently drafted by his own Department. That is now available in instalments on “ConservativeHome”. In fact, it beat this White Paper to publication.

I listened very carefully to what the Secretary of State said earlier on the “Today” programme and in his statement, when he described this White Paper as “innovative”. For the record, can he confirm to the House that he does actually agree with everything in the White Paper he is presenting?

Turning to the substance, obviously we will have to look at the detail of the White Paper. The purpose of the short Chequers statement issued on Friday was to hold the Cabinet together. It clearly failed in that objective, unravelling within 48 hours. If this White Paper is more of the same, it will undoubtedly share the same fate.

Across the business community, among trade unions and, I genuinely believe, across the House, there is growing unity that the UK should remain economically close to the EU. That means negotiating a comprehensive customs union with the EU27 and a single market deal with the right balance of rights and obligations, tailored to the UK. That combination is also the only way of delivering on the solemn promise of no hard border in Northern Ireland. The White Paper falls a long way short of that.

I would like to ask the Secretary of State for a simple answer to a simple question. Is this White Paper the Government's starting position in the next phase of the negotiations, in which case we can expect further evolution of the Government's position, or is it the Government's final position and as far as they are prepared to go—new red lines?

Let me develop that theme. The White Paper sets out proposals for a facilitated customs arrangement. [Interruption.]

Mr Speaker: Order. Conversations regularly take place between Members on respective Benches. I am not complaining about that. I simply thought it right that the conversation should be concluded and the interrogation could then continue, because that would seem to be a courteous way in which to proceed.

Keir Starmer: Thank you, Mr Speaker. I did not say anything because I assumed the Secretary of State was being briefed on the contents of the White Paper.

As for the facilitated customs arrangement, we think the proposals would be a bureaucratic nightmare, unworkable and costly for business. They rely on technology that does not currently exist. If, based on analysis, the EU27 agree with that assessment and reject the proposal on a customs arrangement, is the Government's position that we should then negotiate a customs union with the EU, as the majority in the House think we should? On services, there is almost nothing, so again, if the Government's proposals for mutual recognition and enhanced equivalence fail, what then?

In the short time I have had available to me, a number of features of this White Paper have leaped out. Vis-à-vis travel to work, the Secretary of State said in his statement that that was for business trips. The White Paper says that it is for “business activity”. I wonder if he could clear up the difference between the two. That is in paragraph 76 of chapter 1. Paragraph 89 of chapter 1

refers to reciprocal arrangements on social security. Could he elaborate on what that is? Paragraph 4 of chapter 4 says that the UK's proposal

"would take the form of an Association Agreement".

Again, could he elaborate on that? In paragraph 42 on page 93, there is a reference to the role of the European Court and interpretation. Perhaps he could elaborate on that as well.

Coming 15 months after article 50 was triggered and just three months before the article 50 agreement is expected, this White Paper has obviously arrived very late in the day. The Chequers statement unravelled in two days. When the details of this White Paper are examined, there are very few reasons to believe it will not suffer the same fate.

Dominic Raab: May I just apologise for the late arrival of the White Paper? We will look into what happened with the Clerks. I apologise to the right hon. and learned Gentleman, and we will avoid its happening again.

I thank the right hon. and learned Gentleman for his generous welcome. I noticed that it came in two parts, but I am genuinely looking forward to working with him at this historic crossroads for our country. Like him I am a recovering lawyer, like him I voted to trigger article 50, and at the last general election we both stood on manifestos that promised the British people we would leave the EU, so I hope he will forgive me if I remind him of that every now and again.

The right hon. and learned Gentleman made some rather disobliging comments on unity. May I say to him ever so gently that people in glass houses should not throw stones? At the last count, there have been 103 Front-Bench resignations from Labour under its current leader, a record that is unlikely to be rivalled any time in the foreseeable future.

The right hon. and learned Gentleman made a number of procedure and process points, which rather seemed to be displacement activity for anything Labour might have to say on the substance of Brexit. [*Interruption.*]

Mr Speaker: Order. I do intend to call everybody to question the Secretary of State. It is only fair that questions are heard with courtesy, and that the replies are heard with courtesy.

Dominic Raab: I am grateful, Mr Speaker.

The right hon. and learned Gentleman made some specific points. He asked if I agreed with the White Paper. Yes, of course. He asked whether the White Paper was a starting point for the negotiation or the end point. It is for the negotiation, but we are confident that it is a principled, practical approach that can deliver a lasting deal and a good deal for this country and for the EU. He made some comments about services. In fact, we are looking to make sure that we have full autonomy over rule making in relation to services, with arrangements for recognition so that we retain our services provision between the UK and the EU, but are freed up to trade in services more energetically and more liberally through the trade deals we do right across the world.

On free movement, the White Paper is clear, if the right hon. and learned Gentleman wants to read it in good faith and understand our position. We have made it clear that we are ending free movement. That means

we are going to take back control of our borders. It means that we will have stronger security checks at the border. It also means that we will have control over the number of people who come to this country. At the same time, we want Britain to be an open, outward-looking country. We want to encourage and facilitate business trips from the EU to the UK—that is common sense. We want to make sure there is visa waiver travel for tourism such as family holidays—that is common sense. For students and young people wanting to engage in research or go to university, or indeed to engage in the cultural activities across the continent, we obviously want to have sensible arrangements—that is common sense too.

The right hon. and learned Gentleman talked about the customs union and the single market. He needs to be clear: if Labour's position is to remain in the single market or the customs union and if, as he has said before, freedom of movement is "up for negotiation"—his words, not mine—that would break every promise every Labour candidate made at the last election to end free movement. The Government now stand ready to work with the EU over the coming weeks, ahead of the European Council in October. We must move at pace and we must negotiate with resolve to deliver the prosperous and secure future that all our peoples deserve.

Mr Iain Duncan Smith (Chingford and Woodford Green) (Con): First, may I welcome my right hon. Friend to the Cabinet? I have believed for a long time that he should have had a place in it before. In welcoming him, I also recognise, however, that this is a very complex issue. My own personal views on this will be no secret to him. I have deep misgivings about what the Government are proposing. Having voted to leave, I voted to leave, not to half leave.

I want to raise paragraph 7d with my right hon. Friend. To pursue what the right hon. and learned Member for Holborn and St Pancras (Keir Starmer) said for the Opposition, we have seen very little about the migration proposals, which seem to be out there as part of what might be referred to as negotiating capital. To follow on from his question, which I think was quite legitimate, the phrase at the end of paragraph 7d is

"arrangements that the UK might want to offer to other close trading partners in the future".

My simple question is: when the Government go to discuss, negotiate or confer with the EU, whichever phrase suits, does my right hon. Friend believe that it will be prepared to withdraw the rights to benefits of those who come without jobs?

Dominic Raab: I thank my right hon. Friend. Let me give him some assurance: free movement will end; it is not up for negotiation. Equally, when countries right around the world engage in free trade negotiations, the issue of visas is often considered alongside them, and that is the approach we will take.

Deidre Brock (Edinburgh North and Leith) (SNP): I, too, must wish the Secretary of State the very best of British luck in his new role.

Brexit was of course a disastrous outcome of Tory infighting, and it now looks as though the Tory compromise last week is also falling victim to Tory infighting. It is an embarrassment and massively damaging. In January

[Deidre Brock]

last year, the Prime Minister laid out 12 principles to underpin her Brexit process. The first was certainty and clarity, but we have had neither. The take-home from this latest Brexit White Paper seems to be that we are leaving the EU but we are putting in place regulations to comply with EU regulations on the movement of goods, so we will have no say in the decisions but we will abide by them. What mechanism will check the UK's regulatory compliance with EU rules to allow access to the market? Will the UK use EU standards in negotiations on other trade agreements, or will there be a whole different set of standards for each agreement? Even more importantly, services make up 80% of the UK's economy, and paragraph 48 of the White Paper says that

“the UK and the EU will not have current levels of access to each other's markets.”

That is the Government limiting the sector's access to the world's biggest market, which is massively damaging. What measures will the Government bring in to compensate for that bizarre and unhelpful move?

Scotland is right in the firing line of this Brexit dither and indecision—damaged yet again by Tory infighting and intransigence. Is it not time that the Government accepted that this is a wrong-headed scheme and kept us in the single market and the customs union? They would be well advised to take the measured and sensible approach recommended by the Scottish Government ahead of last week's Joint Ministerial Committee. Will that be considered? The Government's own analysis has shown that Brexit is massively damaging, no matter what protections are offered. Will the Government now listen to wiser heads, reverse course for everyone's good, and stay in the single market and customs union?

Lastly, what on earth is happening in this place? Not only did the Opposition parties receive copies of the White Paper appalling late, but it is customary for party spokespeople to have sight of statements before Ministers rise to their feet, not during the statement, as happened today. This Government's contemptuous treatment of this Parliament has once again been laid bare for all to see.

Dominic Raab: First, the decision to leave the EU was not a decision by any political party; it was a decision by the UK in a referendum—free and fair—of which every party in this House, when the legislation providing for it was passed, agreed to respect the outcome.

In relation to goods and services, we will be taking the decision to agree to a common rulebook, because we want to mitigate any risk of friction at the border. However, this House and the Government—the UK—will have the chance to feed in to any potential changes that may occur over time through consultation. Ultimately, there is a parliamentary lock to make sure that elected Members of this House have the last word. The reality in relation to goods is that the corpus or body of law remains relatively stable. Unlike goods, services are not affected by friction at the border—they are not subject to tariffs or customs—and unlike the vast majority of manufactured goods and agri-food products, most services are not subject to specific standards. The hon. Lady complained about rule taking in relation to goods and then she complained about our not being subject in relation to services. That made no sense at all.

Sir William Cash (Stone) (Con): I am deeply worried about the proposals I have read already in the White Paper and in the three-page document that we received the other day, for this reason. On the issue of the sovereignty of Parliament, we passed the European Union (Withdrawal) Act 2018, which repeals the European Communities Act 1972, but under the proposals as I read them—the so-called parliamentary lock, and compliance with a common rulebook—for dealing with regulatory rule taking from the EU and the discussions that will place around it, page 91 of the document tells us that rule changes will be scrutinised

“in accordance with normal legislative procedure”,

and that “Parliament could decide” not to enact them. I understand what that is getting at, but if I may say so, I assure the House, as Chairman of the European Scrutiny Committee and having been on that Committee for 33 years, that never in my experience—despite what was promised in the White Paper in 1971, before the 1972 Act—has there ever been an occasion when the House has overturned a European regulation, which puts me on serious caution. I therefore have to ask: how would this system work in practice, would it be Whip-ridden, and would the so-called parliamentary lock be burglar-proof?

Dominic Raab: I thank my hon. Friend for his comments and pay tribute to his huge experience in this area. On parliamentary scrutiny and the UK's ability to control any changes to the common rulebook for goods, as I said, let us be clear that we would expect to have a proper dialogue about any changes that were made on both sides and there would be a parliamentary lock to ensure proper democratic oversight in translating those changes into legislation in this country. If this House and Parliament decided not to do that, that would have consequences for the agreement, and that would feed back into the review mechanisms and dispute resolution mechanism that we have carefully tailored. We have sought that balanced approach to ensure we have consistent interpretation of the rules that we will apply in that area, while retaining democratic oversight in this House.

Hilary Benn (Leeds Central) (Lab): May I say to you, Mr Speaker, that I hope a new principle has been established today that, in future, Members of the House will receive copies of White Papers at the same time as members of the fourth estate? In welcoming, genuinely, the Secretary of State to his post—a post that has many challenges—may I suggest that he organise a briefing for Members of the House, with officials, on the White Paper, in line with the very helpful briefing that was held on Monday on the Chequers agreement?

In the statement on the Chequers agreement, the Government said that they would “commit by treaty” to ongoing harmonisation with EU rules on goods. If the facilitated customs arrangement is agreed by the EU, will it be ready to be implemented by 31 December 2020? If not, what arrangements do the Government propose to put in place to cover the gap there would then be between that date and the date on which the new arrangements would finally and fully come into effect?

Mr Speaker: Before the Secretary of State replies, let me say that I entirely accept what the right hon. Gentleman has just said. For the avoidance of doubt, and for future

good practice, it must be accepted that documents about which statements are to be made should not first be released to the media, even under protected conditions—other than in the most exceptional circumstances—before being released to Members of the House. The Secretary of State is a very assiduous parliamentarian and a person of great courtesy, so it seems to me obvious that he will readily accept that. When a point is made with such force by the Chair of a Select Committee, and a similar point is made by the Chair of the Liaison Committee, I think I am right in saying that that point brooks no contradiction.

Dominic Raab: I certainly accept your point, Mr Speaker, and I will take away and consider carefully the suggestion made by the right hon. Member for Leeds Central (Hilary Benn). He asked about implementation of the agreement and whether we will be ready. To some degree that depends on the precise contours of the deal that we strike with the EU, but we are straining every sinew to ensure that all the preparations, both legislative and administrative, are in place to ensure that we deliver on any deal that we strike with the EU.

Mr Steve Baker (Wycombe) (Con): Without wishing to be at all indiscreet, paragraph 54 on page 95 of the White Paper, regarding legislation, puts me in mind of discussions about the negotiability of my preferred way of implementing the withdrawal agreement and implementation Bill, in relation to the implementation period. For what reason does the Secretary of State think that he can negotiate with the EU a mechanism that does not accept the principles in the European Communities Act 1972, that is, that EU law where we accept the *acquis* comes directly into our law, without this Parliament having a veto?

Dominic Raab: I pay tribute again to my hon. Friend for all his work as a Minister and tireless parliamentarian in this House. In reality, no off-the-shelf model will work for the bespoke relationship that we need with the EU. It is imperative to give effect to the referendum and take back control over our borders, our laws and our money, but at the same time we must forge a new relationship, given the long-standing and deep relationship that we have had as an EU member, and our desire—which I think is replicated on both sides—to continue co-operation in those areas that both sides prize.

Tom Brake (Carshalton and Wallington) (LD): I welcome the Secretary of State to his position—he has had his first taste of the Brexit shambles that is being inflicted on this country. I welcome his support for the principle that people can change their mind. He will remember that he said in 2016 that Tory MPs might push for a second referendum after 2020 if the remain side were to win, so I assume he will be backing calls for a final say on the deal. Can he point to the section in the White Paper that sets out the cost to British businesses, households and jobs of this Brexit folly? People are entitled to know the true cost of the Secretary of State's Brexit obsession.

Dominic Raab: The entire approach of the White Paper is to ensure frictionless trade between the UK and the EU, and to minimise the risks that the right hon. Gentleman is concerned about. On referendums and second referendums, if the right hon. Gentleman

had read the whole article, rather than a selective snippet, my point was that under the European Union Act 2011, which was passed by this House, there would always be ongoing and further opportunities for a referendum. What I did not do, which the right hon. Gentleman did, is stand up during debates on the European Union Referendum Act 2015, and say that we would all respect the outcome of a referendum, and then renege on that. That shows bad faith to the electorate.

Mr John Baron (Basildon and Billericay) (Con): I welcome my right hon. Friend to his post. I know he will be well aware of the deep concern on both sides of the House about the extent to which the UK will become a rule taker under the so-called common rulebook. Has he had time to make an early assessment about the percentage of our goods that will be subject to that common rulebook? By way of illustration, can he answer a question that I have been asking but for which I have so far received no answer: under this common rulebook, will we be able to ban the export of live animals to the EU? That is something that we as a country wish to do, but we are unable to do that if we remain members of the EU.

Dominic Raab: I understand my hon. Friend's concerns, and in my earlier remarks I addressed points about how in practice this House will retain scrutiny. Under the facilitated customs arrangement, up to 96% of UK goods trade is likely to pay the correct or no tariff at the border. I hope that that gives him a sense of the minimisation of disruption that we will achieve.

Chris Bryant (Rhondda) (Lab): The problem still remains that there is no majority for this in the House of Commons—to be honest, the sooner we have a vote on it the better, because it will save the Government a lot of time. I welcome the right hon. Gentleman to his post. I have found him to be a very good Minister to do business with. I hope, however, that today has shown that the more the Government try to use the powers of the Executive to skirt around the side of Parliament, the less likely they are to achieve an agreement in the House that can eventually be sold to the European Union. I urge him to work with all Members of the House to try to get a better deal. Otherwise, we will fall out of the European Union without a deal, and that will harm our security.

Dominic Raab: I respect the hon. Gentleman's views, and even though we differ on this issue, we agree on many other things. I will certainly take up the offer to work with him in future as the negotiations and legislation unfold. I say gently, however, that all Labour and Conservative Members stood at the last election on manifestos that committed to leaving the EU. We cannot leave the EU and stay in the single market and the customs union. No amount of haggling over procedural or process points can mask the divisions among Labour Members, or their failure to take a decision about what their position on Brexit should be.

Dr Sarah Wollaston (Totnes) (Con): I thank you for your comments, Mr Speaker. I welcome the Secretary of State to his post, but I do not think it possible for Members to question him about the White Paper without having had a chance to read it. He said that he will step

[*Dr Sarah Wollaston*]

up planning for a no-deal scenario. Will he commit to publishing the consequences of no deal for individuals, communities and the economy, so that we can all assess what its impact will be?

Dominic Raab: I respect my hon. Friend's views, and I know she takes a close interest in these matters. I seem to remember that under previous Administrations statements and hard-copy documents were received very late, but I have apologised for what happened today, and I will endeavour to ensure that it is not repeated. On her broader point, we have tough choices to make, and the White Paper seeks to reconcile the challenge of ensuring that we leave the customs union, with all the benefits of that and opportunities to be grasped, while also minimising any potential disruption to trade. I will release more details to the House about our no-deal planning in due course.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): Only 20 paragraphs of the White Paper are about immigration, and they are very narrow—they just talk about business transfers, temporary business services, tourists and students. There is no reference to what would happen if, for example, the NHS wanted to recruit long term from the EU, perhaps for nurses or care workers. Is that because the Government are ruling out any provisions to support long-term recruitment, or because they have not yet worked out how that would happen? Also, does the Secretary of State agree that it is really important that, as we discuss immigration reform, none of us reverts to the kind of divisive language we heard during the referendum campaign?

Dominic Raab: I thank the right hon. Lady for those points. The White Paper actually sets out the position very clearly: we are ending free movement but we want to take a sensible approach to matters such as business trips, holiday travel, research and students coming from the EU to the UK, and vice versa. Of course, we will consider the matter further when my right hon. Friend the Home Secretary brings forward that legislation. As we have said on free trade agreements that we will be forging with countries around the world, the issue of visas will be subject to those negotiations, just as with the EU.

Sir Roger Gale (North Thanet) (Con): My right hon. Friend's commitment to animal welfare is well known. Can he assure the House that there is nothing in the common rulebook proposals that would frustrate the ambition of our right hon. Friend the Secretary of State for Environment, Food and Rural Affairs to improve and enhance animal welfare post Brexit?

Dominic Raab: We have checked very carefully to ensure that that will not be the case, and we will keep that in mind as we proceed with the legislation and with the negotiations.

Mr Ben Bradshaw (Exeter) (Lab): Only half a page of this document is about health—and that relates to infectious diseases—despite a recent Health Committee report stating clearly that patients' lives and safety will be in danger if there is any interruption at all to the supply of vital medicines and medical equipment into

this country. How is the Secretary of State going to guarantee that there will be no such interruption, and avoid the kind of scenario in which patients' lives and safety are put at risk?

Dominic Raab: The NHS is already making sure that we have all the plans in place to provide the drugs and the doctors and nurses that we need. Of course, with regard to our approach to visas and immigration more broadly, we can ensure, because we are taking back control of our immigration policy, that we have the right checks in place, whoever they are for, including nurses and doctors, and that for medicines and other goods we have the right approach for the country.

Sir Peter Bottomley (Worthing West) (Con): The House will have heard with interest the suggestion that both the House and the Government should consider whether papers can be released to MPs at the same time as they are released to the press, because Select Committee reports have had the same kinds of procedures as the Government have up to now.

People should be aware that my right hon. Friend, whom I welcome to his new post, received a Sergei Magnitsky human rights award last November for political campaigning on a cross-party basis. We hope that his progress on exiting the EU will have the same kind of cross-party support, because most voters and most MPs want to see progress.

As the European Union cannot make an agreement with us until we have left, what will the procedures be to ensure that the agreements we make with it after implementation will be carried through?

Dominic Raab: I thank my hon. Friend. We have made it very clear that there is no deal until the whole deal is done. That means that, in relation to the sequential nature of these negotiations, there will be a link between the two. If, having agreed the withdrawal agreement, we found that progress towards the future trade and special partnership arrangements was not proceeding at pace, there would be consequences for the rights and obligations that the UK has undertaken, including financial obligations.

Kate Hoey (Vauxhall) (Lab): In welcoming the Secretary of State to his post, may I add my voice to the idea that it is nonsense that we got this White Paper so late? Can he confirm that Angela Merkel did not have a copy before we did? Will he state categorically that after we leave the European Union no person living in a Commonwealth country will be treated any differently from how anyone living in the EU will be treated, in relation to being able to come to this country? We should have equal rights for everyone living in the world, rather than giving special rights to those living in the EU.

Dominic Raab: I pay tribute to the hon. Lady for her long-standing interest in this matter and her pugnacious campaigning in the run-up to the referendum. Of course, we are ending free movement, which will allow us to avoid what is effectively a discriminatory approach to those coming from outside the EU. The Home Secretary will be bringing forward legislation to deal with the detail, and of course it will be part of the negotiation process with our EU partners.

Mr Owen Paterson (North Shropshire) (Con): Paragraph 7 of chapter 1 of the White Paper states that the UK's proposal is to

“maintain a common rulebook for goods, including agri-food”.

Lobbyists estimate that there are currently 170,000 pages of the *acquis communautaire*. How many of those pages will have to be re-legislated back into UK law and, once they are there, will they ever be amendable?

Dominic Raab: I hope that I can reassure my right hon. Friend, because we want the common rulebook to ensure that manufacturers can continue to produce one product for both markets, preventing dual production, but the common rulebook will apply only to the extent that it is necessary to avoid friction at the border.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): Paragraph 6 of the conclusion states:

“If the House of Commons supports a resolution to approve the Withdrawal Agreement and the Future Framework, the Government will bring forward the Withdrawal Agreement and Implementation Bill to give the Withdrawal Agreement legal effect in the UK.”

It says nothing about what will happen if the House of Commons does not approve the withdrawal agreement. What does the Secretary of State believe will happen in those circumstances? Given his past views, many of us suspect that what he will do is drive us towards a no-deal situation.

Dominic Raab: Let me reassure the hon. Gentleman. As set out in my earlier remarks, and indeed in the White Paper, we are striving, in good faith and with good will, with some innovation and principle, but also with a practical approach, to get the best deal for the UK, but one that is also likely to be acceptable and achievable with our EU partners and friends. We are preparing for every eventuality, but I can reassure him that, as I have always said, the optimum outcome will be to deliver a deal that is good for this country and good for the EU.

Mr David Jones (Clwyd West) (Con): I, too, congratulate my right hon. Friend on his well-deserved appointment. I am sure that he will understand that I have not yet had the opportunity to read the White Paper in the degree of detail that I would have liked. Nevertheless, I see from page 11 that the role of the European Court of Justice is preserved through a joint reference procedure as the interpreter of EU rules. Can he say how that is compatible with the removal of the United Kingdom from the jurisdiction of the ECJ? As a practical matter, what right of audience would British advocates have, given that the UK will no longer be a member of the European Union?

Dominic Raab: I thank my right hon. Friend. In relation to the ECJ, there is provision for reference where that is necessary for the consistent interpretation of the law. That could only be done through the joint committee to which he refers agreeing, so the UK would have a veto over that—it would have to be with UK agreement. It could also be done by an arbitration panel, but—he will know this—what makes international arbitration different from accepting ECJ jurisdiction is that we would have arbitrators on those panels, so it would be done with their agreement as well. This is not the same as having jurisdiction over disputes; it is

making sure, where it is in the UK's interests—and it will be—that there is consistent application of the common rules that we want to work effectively.

Pete Wishart (Perth and North Perthshire) (SNP): I think that the way this statement commenced sums up the whole chaotic and clueless Brexit, as prosecuted by this shambles of a Government. The White Paper was supposed to deliver Cabinet unity, but all it has done, as we have seen, is demonstrate the divisions. Scotland did not vote for any of this, so can the Secretary of State perhaps suggest a way that Scotland might be spared this madness?

Dominic Raab: We voted in the referendum as one country, and we need to respect it as one country.

Sir Edward Leigh (Gainsborough) (Con): Paragraph 76 of chapter 1 is ambiguous. It states that we will seek reciprocal mobility arrangements, but it does not say when. Will the Secretary of State give an absolute assurance that any preferential treatment given to EU migrants will not be part of a withdrawal agreement but will be entirely in the hands of this Parliament post Brexit? This is a vital point. The people voted for Brexit because they want to control migration. They do not want to be sold down the river on this point as the negotiations proceed.

Dominic Raab: I thank my hon. Friend. I can give him the reassurance that it would not be part of the withdrawal agreement process; it would be part of the future deep and special relationship. In the same way as we approach global free trade with partners from Latin America to Asia, when we look at the liberalisation of trade in goods, for example, through the reduction of tariffs or services, we can also ensure that we have sensible arrangements on visas.

Mike Gapes (Ilford South) (Lab/Co-op): My speed-reading skills are not perfect, but I only noticed two references to the overseas territories: one on page 96 and one in the conclusions. What does this White Paper mean for British overseas territories? Does it mean that they, and particularly Gibraltar, will be treated in exactly the same way as the UK during any transition period?

Dominic Raab: Yes. The overseas territories will retain the status that they have. We are, of course, consulting with them and, indeed, with the devolved Administrations right the way through this process.

Theresa Villiers (Chipping Barnet) (Con): The Chequers agreement indicated that Parliament will have the right to reject future EU rules, but how will it ever exercise that power when the White Paper commits to an “upfront choice to commit by treaty to ongoing harmonisation with the relevant EU rules”?

Dominic Raab: I thank my right hon. Friend. It will be done through the parliamentary lock, which means that this House ultimately can decide what goes into UK law, consistent with the outcome of the referendum. Of course, if we decide to renege on the commitment or to divert from the common rulebook, that will have consequences for the relationship that we strike with the EU. That is why there are review mechanisms and other

[*Dominic Raab*]

mechanisms for resolving disputes, as and when they arise. In any international treaty that will provide a sustainable, enduring basis for the deep ties that we have with the EU on trade and security, we need to make sure that we have sensible proposals and mechanisms for ironing out creases in the relationship as they arise.

Kate Green (Stretford and Urmston) (Lab): May I return again to paragraph 76? The Secretary of State said a few moments ago that he expected that future mobility arrangements in relation to industry needs for labour would be made through the medium of individual trade agreements, but business is already concerned about labour shortages in sectors such as care, hospitality, retail and agriculture. Does he really think that his answer offers the security of labour supply that business needs to know now that it will have in the immediate future?

Dominic Raab: Yes, we can cater for the needs of businesses and the UK economy without having an open-door approach to immigration.

Andrew Bridgen (North West Leicestershire) (Con): I welcome my right hon. Friend to his position. While I and many colleagues may have grave concerns about the contents of the White Paper, I hope that we all agree on the importance of his role in delivering the Brexit that we promised the British people. To that end, it is very important that he has the right support and help going forward, so has he had any explanation why his first choice of special adviser—namely, Stewart Jackson, the former Member for Peterborough—was vetoed by the Cabinet Office?

Dominic Raab: I pay tribute to the great work that all the special advisers have done, including Stewart Jackson, and all the officials, who work tirelessly with Ministers to get the best deal for this country. I will be naming my special advisers shortly, as people would expect in the normal course of a reshuffle or a change in ministerial post.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): The intergovernmental agreement signed between the Welsh Government and the British Government was meant to result in equitable decision making on Brexit policy. Does not the fact that the Welsh Government were not even consulted on the contents of the White Paper indicate that that agreement is not worth the paper it is written on and that the Labour Government of my country was extremely naive to trust the British Government?

Dominic Raab: I respect the hon. Gentleman, but I am afraid that he is just wrong on this. Sections of the White Paper were shared with the devolved Administrations and copies of it were sent in advance.

Vicky Ford (Chelmsford) (Con): I spent the past couple of days on a business trip, or perhaps it was an activity to do business, meeting former colleagues from across Europe and asking them what they thought about the potential proposals. There is a complete understanding that if we want to keep an open border with Ireland, we must have common standards on goods

and that if we want to keep the UK united, we need that to apply to all the UK, so I wish my right hon. Friend the best of luck in his future job, because many people across Europe want to help to deliver this partnership.

Dominic Raab: I thank my hon. Friend. I agree that that has been the feedback that we have had. We can want to end free movement without saying that we will pull up the drawbridge. We need to have a balanced approach to immigration that not only protects and services the skills gap in this country, but makes sure that we deal with the pressures and costs of immigration and that we restore public confidence in the immigration system.

Andy Slaughter (Hammersmith) (Lab): The proposals on freedom of movement in the White Paper will please no one. There is no certainty for resident EU citizens or for those seeking to come here after 2020. The list of exceptions is so wide and so unclear that it has already been rejected by the hard Brexiteers. The message seems to be, “You can stay or come here, but you are not welcome,” and to my mind, that is both incompetent and unpleasant. I had the Secretary of State down as neither of those things before today, so I wonder why he wants to be associated with this document.

Dominic Raab: Because it takes a balanced approach to immigration, rather than pretending that we can continue with the legacy of the previous Government, who had an open-door approach to immigration, which destroyed public trust in the system. We need to take advantage of the economic benefits and control the pressures. That is the sensible approach.

Rachel Maclean (Redditch) (Con): The thing that I hear most often from my constituents in Redditch, however they voted, is, “Just get on with it.” Will my right hon. Friend confirm from the Dispatch Box that nothing in this White Paper will lead to a second referendum, which will only delay or frustrate the democratic will of my constituents and the British people?

Dominic Raab: My hon. Friend is absolutely right. We need to crack on with these negotiations. I will be going to Brussels next week. The idea of a second referendum, as I think the leader of the Liberal Democrats acknowledged before he ascended to his elevated position, would be not only unprincipled but totally counter-productive to public trust in practice.

Dr Roberta Blackman-Woods (City of Durham) (Lab): People across the country who work in our universities will want to know that any Brexit deal continues to give them access to European research funding and networks. These networks are really important for business development for medicine and innovation across the piece. While the White Paper says that

“the UK wishes to explore association in research and innovation programmes”,

that prompts the question what the Government have been doing for the past two years. Do people who work in higher education not deserve more certainty than a wish list?

Dominic Raab: I gently say to the hon. Lady that the insistence on trying to sequence the negotiations was on the EU’s behalf. We have been consistently saying that

we need to get on to the wider post-withdrawal relationship as soon as possible, but we are keen to do that and I hope that the White Paper gives the hon. Lady a sense that this will be a priority for the Government.

Sir Desmond Swayne (New Forest West) (Con): How can my right hon. Friend justify the use of the adjective “common” in describing the noun “rulebook”, when he has committed to ongoing harmonisation? Even with a parliamentary process, it is their rulebook, is it not?

Dominic Raab: I understand the concerns that my right hon. Friend and others will have about this. We are proposing to sign up to a common rulebook. There will be an opportunity to influence it through consultation. There will be a parliamentary lock. As I said, if this is not in the UK’s interests, there will be an opportunity to revise the arrangements, but the reality is that the common rulebook on manufactured goods, where a risk would be creating friction at the border, has remained relatively stable over recent years, so I do not think that in practice it would lead to the fears that he has understandably outlined.

Wes Streeting (Ilford North) (Lab): The leader of the European Research Group, the hon. Member for North East Somerset (Mr Rees-Mogg), described this White Paper as

“the greatest vassalage since King John paid homage to Philip II at Le Goulet in 1200. This White Paper has not needed age to turn yellow”—

presumably he can give us an eyewitness account. The Opposition’s concern, as is clear from the resignations that we have already seen from the Government, is that this White Paper—the Government’s negotiating position—does not command at this stage the support of a majority of the House of Commons. How does the Secretary of State possibly expect the united front of the EU27 Governments, the European Commission and the European Parliament to take this Government at all seriously, because this House clearly does not?

Dominic Raab: The hon. Gentleman has produced all sorts of quotations, while blithely skating over the divisions in his own party. The fact is that these are complex issues on which views diverge, and people feel very passionate about them. What we have set out is a positive, principled but also flexible approach that is deliverable. We will go and negotiate with the EU, and we will ensure that we get the best deal for the country. Simply sitting on the sidelines and carping and hoping that somehow the Brexit decision will be reversed is, I am afraid, to be on a fool’s errand.

Mr Marcus Jones (Nuneaton) (Con): I welcome my right hon. Friend to his post. My constituents voted to leave the EU for a number of reasons. Among them was the principle of freedom of movement. Can my right hon. Friend categorically assure my constituents that freedom of movement will end as a result of his and the Government’s plans and that this Parliament will consequently be able to decide whom we welcome to our great country?

Dominic Raab: Absolutely. Free movement will end. We still want to take a sensible approach to immigration, but we want to ensure that, as elected Members who are accountable to our constituents, we in the House have the last say on it.

Bridget Phillipson (Houghton and Sunderland South) (Lab): Does the Secretary of State intend to produce any kind of detailed regional economic impact assessments, so that we can fully understand the scale of the damage to jobs, livelihoods and living standards in the north-east that would be caused by what his Government are proposing?

Dominic Raab: We will make sure that there is appropriate analysis as the negotiations progress and the various documents—whether in the legislation or in the agreements—are put before the House for proper scrutiny in the usual way.

Andrew Jones (Harrogate and Knaresborough) (Con): I welcome my right hon. Friend to his post. Can he confirm that the UK will resume its seat at the World Trade Organisation and be able to do trade deals throughout the world?

Dominic Raab: My hon. Friend is absolutely right. We will resume our seat at the WTO. Given some of the pressures for protectionism that we have heard from all sides, it will be hugely important for the Government and the country to take up our role as a global champion of free trade, because it is good for businesses, good for consumers and, of course, good for the very poorest countries in the world, which want to trade their way to genuine economic independence.

Wayne David (Caerphilly) (Lab): Paragraph 6 of chapter 1 of the White Paper states that

“the UK recognises that the Single Market is built on a balance of rights and obligations, and that the UK cannot have all the benefits of membership of the Single Market without its obligations.”

Are the Government prepared to discuss the possibility of making financial contributions for the privilege of having access to that European market?

Dominic Raab: We have already set out what we are going to do in relation to the financial settlement in the withdrawal agreement. We will settle our accounts and ensure that in respect of those parts of the EU project, whether Eurojust or whatever it may be, we pay our way.

Mr William Wragg (Hazel Grove) (Con): I welcome my right hon. Friend to his post. I cannot help feeling a little sorry for him at this time. Is he sure that there is not another document, developed with and previewed by other Governments, which is being cooked up behind the scenes by Mr Robbins and our former friend the Prime Minister’s chief of staff and which will then be wheeled out to further undermine the previously stated positions of Her Majesty’s Government?

Dominic Raab: Yes.

Daniel Zeichner (Cambridge) (Lab): On page 78 of the White Paper, which deals with science and innovation, there is talk of association with and participation in research schemes in the future. Back in May, the Prime Minister talked about having influence in those schemes. Why has the ambition been so watered down?

Dominic Raab: It has not been watered down, although I understand the point that the hon. Gentleman is making. It is possible for us to engage in activities of all

[*Dominic Raab*]

those kinds—as we do with countries around the world—without being a member of the political club, with all the fetters on our democratic prerogatives.

David Duguid (Banff and Buchan) (Con): I join you, Mr Speaker, and others in welcoming my right hon. Friend to his post. I also welcome the repeated and continuing confirmation from the Government that we are indeed leaving the common fisheries policy. I do not regard that as being any longer in question. However, will he also confirm that no amount of guaranteed and continued access to British waters will be given away during withdrawal negotiations and that the sharing of fishing opportunities will be agreed only during ongoing annual negotiations after we take our place as an independent coastal state?

Dominic Raab: I can confirm that we will be leaving the common fisheries policy and that we will proceed as an independent coastal state with control over our waters in respect of fisheries and other matters.

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): Paragraph 55 of the White Paper, on page 95, states—without a hint of irony—

“The Government has already demonstrated during the passage of the EU (Withdrawal) Bill that it will actively engage with suggestions from both Houses about the oversight of secondary legislation, adapting scrutiny arrangements as appropriate, and recognising the quality and expertise in the existing scrutiny structures in the Commons and the Lords.”

In the light of today’s shambolic performance, would the Minister care to enlighten us on what parliamentary scrutiny really means, in his eyes?

Dominic Raab: As the hon. Gentleman knows, it means what we are doing right now; and there will be plenty of further opportunities to scrutinise the White Paper in this House, in the other place and in Select Committees.

Helen Whately (Faversham and Mid Kent) (Con): I, too, welcome my right hon. Friend to his post. I have noticed that today he has had to field questions about the Government’s future negotiating strategy which it would clearly not have been in the national interest for him to answer. Does he agree that, even during passionate debates like this, we must put our country first, not our party or any personal ambitions?

Dominic Raab: My hon. Friend is absolutely spot on. I understand the legitimate concerns that people have, or the questions that they have, about the overarching structure and framework of the strategy that the UK adopts. That is something that should be debated in this place and among the wider public, just as we are debating this 100-page White Paper. However, some of the questions, or interventions, seem to be more about trying to make sure that the UK stutters, when we should be proceeding apace to negotiate a deal that is good for Members in all parts of the House and for those in all corners of the country.

Alex Sobel (Leeds North West) (Lab/Co-op): Paragraph 53 of the White Paper, on page 62, states that the UK will “continue close cooperation with EU law enforcement and criminal justice agencies”,

and paragraph 54 states that

“the UK will respect the remit of the Court of Justice of the European Union”.

How does the Secretary of State reconcile that view with his own votes? In 2012 he voted against EU data-sharing for criminal justice purposes, in 2013 he voted in favour of the UK’s opting out of all EU police and criminal matters, and in 2014 he voted against the UK’s rejoining EU schemes for closer political and judicial co-operation in criminal matters.

Dominic Raab: I thank the hon. Gentleman for his detailed scrutiny of my past record. As I have argued all along and as the White Paper makes clear, the UK can want to maintain, and even strengthen, operational law enforcement co-operation with the EU—through, for instance, bodies such as Europol and Eurojust—without being subject to the supranational jurisdiction of the European Court of Justice and all the decision-making fetters. Indeed, Europol and Eurojust have a large number of association agreements with non-EU countries. I believe that the US has more liaison officers posted at Europol than the average EU country.

Mr Philip Hollobone (Kettering) (Con): Will my right hon. Friend confirm: that he will not extend article 50; that no deal is better than a bad deal; and that if there is no deal, we will keep our 40 billion quid?

Dominic Raab: It is certainly the case, in my view and the Government’s view, that no deal would be better than a bad deal, but what we are aiming for is the very best deal.

My hon. Friend asked about the money. I took some time to set out in my response that we have made clear the need for a link between the obligations that we undertake in the withdrawal agreement and what we then expect in relation to the future partnership deal on trade, security and other areas in which there is co-operation. That needs to be looked at as a whole. If one side, whichever it may be, does not fulfil its side of the bargain, there will be consequences for the whole deal—and yes, that would include the money.

Ms Angela Eagle (Wallasey) (Lab): The White Paper says very little about the service industry, particularly financial services, except that we want to retain our access to integrated markets while not really sticking to the rules. Is that not more like having your cake and eating it, and is it not highly unlikely that the EU will ever agree to such an approach?

Dominic Raab: It is clear that the UK cannot remain under the EU passporting regime, which is intrinsic to membership of the EU. Our objective, based on that, is to agree a new economic and regulatory partnership in financial services. The new partnership will set some binding bilateral commitments to give firms certainty and stability in respect of access to each other’s markets, while allowing the UK and the EU to maintain and exercise autonomy when it comes to regulatory decisions and rule-making.

James Cartlidge (South Suffolk) (Con): I welcome my right hon. Friend to his position. Given the brief period he has been in post, he is giving a performance of very high calibre.

On free movement, while I accept that many colleagues share the noble position that we should not have a discriminatory system, does my right hon. Friend accept that there is a big implication for unskilled migration, because if we allow it in future, we will have to allow it from anywhere, not just the EU? Does he accept that in those circumstances, non-EU migration would inevitably rise?

Dominic Raab: My hon. Friend makes a powerful point, and that is why we take the approach that we do. We want to ensure that when we have an enhanced preferential trade relationship with a country, visas can go into the mix. That is the global practice right around the world. But it is crucial, as a matter of sound policy but also for retaining public trust in our migration system, that we have control over things people care about: the numbers of people coming here; ensuring the people coming here are self-sufficient; and making sure that if people threaten this country or commit criminal offences, they can be removed.

Tracy Brabin (Batley and Spennings) (Lab/Co-op): Having attended the welcome briefing on the previous agreement but without having had much time to scrutinise the White Paper, will the Secretary of State clarify for me and my constituents how the eye-wateringly complicated fudge around the facilitated customs arrangement can be anything but a disaster for manufacturing, particularly the bed manufacturers of Batley and Spennings?

Dominic Raab: The FCA is an innovative new model; it is a business-friendly model that seeks to facilitate the greatest possible—[*Interruption.*] The hon. Lady is complaining about it, but I am trying to explain it to her and she might just take a moment to listen to the explanation. The FCA seeks to facilitate the greatest possible trade between the UK and the EU and, when put in place, it will make sure that up to 96% of UK goods trade is likely to pay the correct or no tariff at the border. The key difference between the FCA and the previous arrangements under the proposed customs partnership, is that tariff revenue will be levied up front rather than be reimbursed after the event, which Conservative Members agree would be more cumbersome and less effective in minimising the risk to trade.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): I welcome the publication of the White Paper, but these are complex issues, and what my constituents, and indeed I, want is reassurance that this document will indeed return control over our borders, our money and our laws. Will my right hon. Friend join me in suggesting that people should not listen to some of the more siren voices around, but instead look at the detail of this document, see where it delivers on those pledges, and then make their decision?

Dominic Raab: My hon. Friend is right: ending free movement is one of the aspects that motivated people to vote to leave the EU, but there is a much broader issue around immigration policy. What we seek to do in this document is make sure that we have a balanced approach that means that elected Members such as my hon. Friend, and Ministers and Members from across the House, are responsible for striking the right balance to get the benefits of immigration but also to manage the pressures.

Christian Matheson (City of Chester) (Lab): This morning's chaos is entirely consistent with a Government who have dodged scrutiny in this House at every turn, and to suggest to my hon. Friend the Member for Ilford North (Wes Streeting) that he is shouting from the sidelines when he is actually speaking from the Benches of this House only serves to amplify that.

May I draw the Secretary of State's attention to paragraph 76, which states that the economic partnership providing reciprocal arrangements would "support businesses to provide services and to move their talented people"?

What does "talented" mean and does it include, for example, nurses and care workers?

Dominic Raab: When people need to move high-skilled members of staff across borders, it is key that, no matter what the sector, we have the ability to do that. Our negotiations with the EU can of course include all sectors, and we want to make sure that where there are skills gaps, they can be plugged.

James Heapey (Wells) (Con): In paragraph 138 the Government rightly commit to a continuation of the single energy market between Northern Ireland and Ireland. Rather than making a special case for Northern Ireland, may I encourage the Secretary of State to consider not leaving the Europe-wide internal energy market and instead make a special case for energy all together? That would be spectacularly boring and uncontentious, and just remaining within the internal energy market would allow us to be interconnected with Ireland as well as our friends across the channel and the North sea?

Dominic Raab: That is an interesting point. We set out our proposals in the White Paper, but of course if my hon. Friend would like to write to me with the details of his suggestions as the negotiations and legislation proceed, I will be happy to look at them carefully.

Clive Efford (Eltham) (Lab): The White Paper clearly envisages a role for the ECJ in perpetuity, for instance in relation to trade disputes. Has the Secretary of State had any indication from the EU that it is prepared to participate in the arbitration process proposed in this White Paper and second-guess ECJ decisions?

Dominic Raab: It is not right to say that the ECJ would have jurisdiction over trade disputes; that would be the role of the arbitration mechanism. International arbitration is a global mechanism used by countries around the world, and I do not see any reason why, within Europe or in relation to the EU, there would be an anomaly. The ECJ deals with the laws in place within the EU and member states in the same way as the UK Supreme Court deals with the laws of the land in this country. International arbitration is designed to be flexible; it allows arbitrators from all countries to make sure that we deal with international disputes and it is perfectly consistent with global trade practice.

Chris Philp (Croydon South) (Con): Many of my constituents are concerned that we must be able to strike independent new free trade deals after leaving. Can the new Secretary of State, whom I welcome to his

[Chris Philp]

place—we will miss him at the Ministry of Housing, Communities and Local Government—confirm that we will be able to strike those new trade agreements, and is not the Swiss example a good one? The Swiss have these associations with the EU on product standards, yet have managed to do very good free trade agreements recently, including with India and China.

Dominic Raab: My hon. Friend is right, and he is well-versed in international trade practice. The key advantage in our approach is that we have the ability to remove the EU external tariff, to reduce tariffs as a World Trade Organisation member, and to sign bilateral free trade deals, which is crucial in terms of our leverage. For services, we will not be bound by the rules of the EU, and can take advantage of that not just in the wider services sector but in particular in financial services, and the digital sector, which is so important for the future jobs this country will rely on.

Alan Brown (Kilmarnock and Loudoun) (SNP): It has taken this Government two years to publish what is just a big set of wish lists. Paragraph 63:

“the UK proposes a new economic...arrangement with the EU in financial services.”

Paragraph 130:

“explore options for...an Air Transport Agreement.”

Paragraph 134:

“explore options for reciprocal access for road hauliers.”

Paragraph 140:

“explore...options for the future energy relationship.”

And paragraph 143, explore a close relationship with Euratom.

So it has taken the Government two years to state the blindingly obvious. What superhuman negotiation skills does the Secretary of State have to be able to close out these issues in the next three to four months?

Dominic Raab: Lots of these issues are complex, and of course we have been guided, or restricted to some degree, by the sequential approach of the EU. But lots of thought and consultation has gone into this, and we do now need to move at pace to get cracking with the other side, in good faith and with goodwill, to get this deal done.

James Morris (Halesowen and Rowley Regis) (Con): I warmly welcome the Secretary of State to his post. He will be aware that the west midlands economy has had one of the strongest export performances of any region of the UK. Can he give an assurance that this White Paper does not preclude us from doing trade agreements around the world, to help west midlands businesses and create jobs in the west midlands, which is of great importance to my constituents?

Dominic Raab: I thank my hon. Friend, and I am confident that as we leave the EU with a good deal,

businesses in the west midlands will go from strength to strength. We must also acknowledge that if we are signing up to the common rulebook on goods, to the extent that that is needed to reduce friction at the border between the EU and UK, that will, at least to some degree, tie our hands. However, the huge advantage we have if we leave the EU and the customs union is that we can remove and reduce tariffs, and we will have control over the services side of things, so we can have control over regulation. That is a huge advantage. If we take those opportunities, we will, for the west midlands and whole UK, be able to boost trade.

Jeremy Lefroy (Stafford) (Con): One of the major, and understandable, arguments during the referendum was that when we joined the EU in 1973 people did not really understand what it was going to lead to. Does my right hon. Friend, whom I really welcome to his post, therefore recognise the great importance of communicating what is proposed here and what is eventually put to Parliament to the general public, in particular the young people who are going to have to live with this for the next 30, 40 or more years, as well as to Parliament itself? Sometimes this debate can seem to be expressed in very dry terms, so it is absolutely vital that this communication is there and the discussion is there with the public as a whole.

Dominic Raab: My hon. Friend is absolutely right. I remember how insightful he was when we served on the Brexit Committee together. It is true that this needs to avoid being a Westminster bubble conversation, and I have already had meetings with business groups from the CBI to the Federation of Small Businesses to ensure that the views of the diversity of the business community are fed through and that I understand them properly. He is also right to say that we need to go out and sell the message that, yes, Brexit is about managing the risks involved in any changing relationship, but also that there are huge opportunities for us to grasp, including for the young people of this country.

Nigel Huddleston (Mid Worcestershire) (Con): My constituents are a realistic, sensible and practical lot and, unlike some politicians, they know that they will not always get 100% of what they want in life, but they do expect their politicians to deliver. Before the referendum, the 58% of my constituents who voted for Brexit told me clearly that what they wanted was control of their borders, control of their laws, an end to freedom of movement and to stop spending billions of pounds in Europe for reasons that they could not really understand. In very simple terms, Secretary of State, will this deal deliver on what my constituents want?

Dominic Raab: Yes, it will, and we need to proceed at pace with our negotiations with our EU friends to make that happen. At the same time, we need to ensure that we are ready for any eventuality in the negotiations. However, we are not looking to rely on those contingency plans; we are looking to get the very best deal, and in this White Paper, we have achieved it.

Global Britain and the Western Balkans

FOREIGN AFFAIRS COMMITTEE

Select Committee statement

Mr Speaker: We now come to the Select Committee statement. The hon. Member for Ilford South (Mike Gapes) will speak on his subject for up to 10 minutes, during which, I remind colleagues, no interventions may be taken. At the conclusion of his statement, the Chair will call Members to put questions on the subject of the statement and call the hon. Gentleman to respond to them in turn. I call Mr Mike Gapes to speak on behalf of the Foreign Affairs Committee.

2.21 pm

Mike Gapes (Ilford South) (Lab/Co-op): The Foreign Affairs Committee's latest report, "Global Britain and the Western Balkans", was published last Friday, ahead of the fifth annual western Balkans summit, which took place in London on Monday and Tuesday. The summits are part of an intergovernmental forum called the Berlin process, which brings together the leaders of six western Balkan countries—Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro and Serbia—and of some EU member states including Germany and France. The object is to accelerate reforms in order to help the western Balkan six to become mature democracies and ultimately to qualify for EU membership. That is something that all six want.

With all that happened at the start of this week—not least the resignation of the host, the Foreign Secretary, on Monday—the summit did not get the attention it deserved. However, we should not underestimate its significance. It was an important moment for the western Balkan six, giving them a chance to prove that they could put their animosities behind them and work towards a common goal—namely, EU membership. It was also important for the UK. The German Chancellor, Angela Merkel, invited the UK to host the summit for the first time, as a test of the UK's commitment to European security and of our capacity to remain a serious player in the western Balkans. The Committee awaits the Government's written response to the report, to judge whether the UK passed the test.

Many Members will vividly remember the wars of the 1990s that tore the western Balkans apart, from Croatia in the north to Kosovo in the south. As we know, the disintegration of Yugoslavia unleashed centuries-old ethnic tensions, leading to some of the worst violence against civilian non-combatants in Europe since world war two. This culminated in atrocities such as the siege of Sarajevo and the massacre at Srebrenica, which began 23 years ago yesterday and which many of us have been remembering and commemorating at events this week. In total, more than 100,000 people were killed in the region between 1990 and 1999.

The region has come a long way since then, and there are reasons to be hopeful. In June, for example, Macedonia reached an agreement with Greece to end their 25-year running dispute about the name of the country. On the back of that, NATO yesterday invited the Republic of North Macedonia to begin accession talks, subject to the ratification of the name agreement. This shows that the region can overcome its problems peacefully.

As encouraging as this is, however, our Committee heard evidence to suggest that the region is in a fragile position and that its progress cannot be taken for granted. It suffers from many interconnected problems, including rampant corruption, a culture of clientism, sophisticated organised crime, a weak civil society and, sadly, some leaders who pay lip service to reform but show authoritarian tendencies. There are also ethnic tensions, as well as some bilateral disputes. The British Council has told us that the western Balkans are experiencing a new phase of instability and that the progress made since the 1990s cannot be taken for granted. Given the fragility of the region, the Committee concluded that it is vital that the UK and its EU and NATO partners and allies remain engaged, but that they must recognise the risks involved and acknowledge that it will take a long time to make a substantive difference on the ground.

The people of the western Balkans believe that EU membership will provide the solution to their problems, but the Governments and people of many of the EU member states are extremely wary of admitting those states and further enlarging the EU. That in turn makes it difficult to convince the western Balkan six that it is worth their while implementing the kind of reforms that EU membership requires, which is creating further uncertainty and instability.

There is also a big elephant in the room: there is evidence that the malign influence of Russia is exploiting the situation. In a week in which a UK citizen was murdered as a result of exposure to a nerve agent produced by the Russian state, it is important to remember that the western Balkans are equally prey to acts of subterfuge. In 2016 Russia supported an attempted coup in Montenegro, and there is evidence to suggest that it recently supplied arms to groups intent on undermining the post-war Dayton peace settlement, which the UK, the US and others worked so hard to implement. As one witness told us, Russia's particular skill is in making bad situations worse, and in the western Balkans there are many for them to exploit. The fact that Greece yesterday banned four Russian diplomats accused of tampering with the North Macedonian name ratification process highlights the risk that Russia will try to stop the agreement in its tracks. The Committee has therefore asked the Government to lay out what they are doing to help ensure that the two countries involved can make this decision freely and fairly for themselves, without malicious outside interference.

The UK has long championed peace in the western Balkans. UK troops helped to end the war in Bosnia in 1995, and with its NATO allies, the UK stepped in to stop the massacre of ethnic Albanians in Kosovo in 1999. We led the way in recognising Kosovo's independence in 2008, and since 2014 the UK and Germany have spearheaded attempts to smooth relations between the different ethnic groups in Bosnia and Herzegovina. Many of the experts we took evidence from told us that, while the UK is in a bizarre position at the moment, with our Ministers encouraging the western Balkan six to join the EU just as our Government are in the process of preparing for the UK to leave, it still has a valuable role to play.

We are respected in the region as a security provider, as an exemplar of sound administration and good governance, and through UK trade, although it is minimal. The Committee welcomed the Government's assurance

[Mike Gapes]

that not only will the UK remain engaged in the western Balkans, but UK programme spending in the region and the number of diplomats deployed there will increase. Moreover, the Government told us that they will continue to support the western Balkan six in their path to EU membership for as long as they want it, and the Committee welcomes the Government's assurances that UK support for the western Balkan six will not change. Nevertheless, the fact remains that our position in the region will change if we leave the EU, and we will no longer be involved in the EU's negotiations with the western Balkans.

The Committee therefore calls on the Government to set out what they want to achieve in the western Balkans. While we will necessarily work in concert with our EU partners, the Committee believes it vital that we have a credible independent strategy for achieving our objectives in the region. The Committee also asks the Government to set out plans to increase trade.

The summit took place on Monday and Tuesday and was symbolically important. Unfortunately, however, it received little publicity, and the scale of the problems in the region did not receive the prominence and visibility in the media that it should have done. The Committee believes that we should continue to work for the future of the region, and we hope that the Government will commit to that in their response.

Mr Philip Hollobone (Kettering) (Con): I commend the hon. Gentleman for his statement and his Committee for its report. First, may I encourage the Committee to include maps in its reports for those of us who are more geographically challenged? Secondly, may I pick up on his comments about Russian influence? Given the Slavic connections between the western Balkans and the Russians, are Russia's efforts a half-hearted attempt to gain influence in the former Yugoslavia, or a real push for domination in that part of the world?

Mike Gapes: Russia does have historical connections with this part of the world, but it is also important to recognise that we are talking about independent states that have the right to determine their own direction of travel. Russia wants to weaken the European Union and stop its enlargement. What Russia is trying to do—it tried to do this explicitly in Montenegro—is change the internal politics of some countries in order to stop their association with NATO and the EU, which is clearly not in our interests or in the interests of the region's peoples or Governments, who have the right to make their own political choices.

Andy Slaughter (Hammersmith) (Lab): I compliment my hon. Friend for his Committee's report and his statement. He mentioned the irony that we are supporting the accession of the western Balkan states to the EU at a time when we are leaving it, and I am sure that he noticed the words of the Macedonian Foreign Minister who, when asked why that was the case, said:

"Perhaps those inside forget how cold it is outside."

Even outside the EU, we will still have the close relationship that my hon. Friend talked about, particularly with Kosovo. We have a particular bond with Kosovo, and many Kosovans have settled in this country. Still only a

minority of countries in the world have recognised Kosovo as an independent state, so does my hon. Friend agree that Her Majesty's Government should be doing more to ensure that Kosovo gets security recognition and is brought into the international fold and international institutions, such as the EU?

Mike Gapes: As I said in my statement, the British Government were among the first to recognise Kosovo as a state, which happened in 2008. The reality is that although more and more countries around the world have recognised Kosovo, there are some problems. Some EU countries have still not recognised it and that, combined with Russian weight and its veto within the United Nations system, has meant that Kosovo is not represented in all the international bodies that it should be. However, I am sure that the British Government will continue to give its support to Kosovo, just as we do at the moment.

Douglas Chapman (Dunfermline and West Fife) (SNP): I thank the hon. Gentleman for the Committee's report. He mentioned our exit from the EU, so I wondered how he sees our ability to support long-term security in the western Balkans diminishing. What measures could be taken to help mitigate that loss of influence in this geopolitically important region? Separately, what steps should the Government be taking to give UK business the confidence to invest in and trade with the western Balkan nations?

Mike Gapes: The Government announced at the London summit that they would increase funding to the region to £80 million in 2020-21 and double the number of UK staff working in the region on security issues affecting the UK. I have already mentioned organised crime, and we are involved in the Balkans organised crime observatory, which is being launched jointly with the Austrian and Norwegian Governments to help civil society. We are also investing in cyber-security and digital skills. There are many practical ways of assisting, but we must also increase our economic footprint in the region, because UK trade with the area is limited. There are 17 million people in these six countries, so there is potential for us to do more.

Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab): I thank my hon. Friend for presenting the report, the importance of which is highlighted by the more than 100,000 people who were killed at Srebrenica. That we continue to concentrate on the region is fundamentally important, and my hon. Friend outlined issues relating to rights, corruption, democracy and many other important topics. Through him, I want to ask the Minister about the continued role of the British Council, which does a phenomenal amount of work in the region. Additionally, what will our role be post Brexit in supporting security in the region?

Mike Gapes: We took evidence from the British Council. It is actively engaged in the western Balkans, and I am sure that that will continue. As for security, several countries in the region are already members of NATO, and the Republic of North Macedonia—I must get the name correct—received a positive response at the NATO summit, which is good news. British military personnel are already engaged—I met them myself in Tirana a few years ago—and taking part in training in the region, which I am told is particularly useful for some exercises.

There is a lot to be done, and there is good will towards the United Kingdom. I accept the point that withdrawing from the EU could put that at risk, but I am not going to restart that debate now because we had it earlier on. However, whether we are in the European Union or not, the UK must engage more than it currently is with the countries of the western Balkans.

The Minister for Europe and the Americas (Sir Alan Duncan): May I put on the record the Government's thanks to the Committee for its hard work in preparing the report following its inquiry into the western Balkans? I have listened to today's exchanges with great interest. They are well timed, coming so soon after the successful western Balkans summit at the beginning of the week. At our summit, the meeting of Foreign Ministers, which I chaired, and the meeting of Interior Ministers, which the Home Secretary chaired, fed into the discussions of Heads of Government, which in turn were chaired by the Prime Minister. Those meetings led to the signature of three important joint declarations and the announcement of several important initiatives, all of which are available to Members.

I hope the House will join me in paying special thanks to His Royal Highness the Prince of Wales for his sustained involvement in reconciliation in the region and for hosting a wonderful reception on Tuesday evening to mark the conclusion of the summit.

I can reassure the Committee that I will pass on the comments of the hon. Member for Ilford South (Mike Gapes) and others to the Foreign Secretary, and the Foreign Office will of course respond to the report in due course, but at this stage I just want to single out one issue the hon. Gentleman raised, and that is the name issue. As we said at the summit, we offer our most heartfelt congratulations to and admiration for the leadership shown by the leaders of Greece and Macedonia in reaching an agreement, and we welcome the fact that at its summit this week NATO has announced it will open accession talks with Macedonia, which we hope will help to seal the name change, for which a referendum is still required.

With those observations, I once again express my gratitude to the Committee for its work and undertake to give a more complete response in due course.

Mike Gapes: I just thank the Minister and all my colleagues for their contributions. We look forward to receiving the Government's response.

Madam Deputy Speaker (Dame Rosie Winterton): I have to report an error in the announcement of the result of yesterday'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 2018, the Ayes were 301 and the Noes were 211. In respect of the same Question, among those Members from qualifying constituencies in England and Wales, the Ayes were 284 and the Noes were 201, so the Ayes have it.

Points of Order

2.42 pm

Kate Green (Stretford and Urmston) (Lab): On a point of order, Madam Deputy Speaker. Earlier this morning, I raised a point of order in business questions, which the Leader of the House responded to. In her response, she suggested that in our earlier correspondence I had chosen to misunderstand what she had said in the Chamber on 21 June. I was very careful in my point of order this morning to report what she had said to me by way of explanation of her remarks to the House, and I want to place on the record that I had no intention of deliberately reporting to the House a misunderstanding of her remarks and that it was Traveller groups that asked me to raise the issue because of their concern about the language used in the Chamber on 21 June. I am grateful for the opportunity to place that on the record.

Madam Deputy Speaker (Dame Rosie Winterton): I thank the hon. Lady for giving me notice of her point of order. I understand that she also gave notice to the Leader of the House. Obviously, each of us is responsible individually for what we say in this place, and the principle of parliamentary free speech is very important, but that has to be exercised with care and sensitivity. The hon. Lady has clearly put her view on the record. I suggest we leave it at that.

John Woodcock (Barrow and Furness) (Ind): On a point of order, Madam Deputy Speaker. I apologise for not having had a chance to give you notice of my point of order. During the urgent question this morning, I asked the Immigration Minister about the accuracy of previous remarks she had made in the House. In response, she said she had placed information in the House of Commons Library. The House of Commons Library tells me it has no such record of any correction. Can you advise me of what can be done in this circumstance?

Madam Deputy Speaker: The hon. Gentleman has made clear the discrepancy he feels has taken place. I am sure that the Treasury Bench will have heard his comments and that the Minister, if she feels anything needs to be corrected, will do so. I am sure that the Treasury Bench will take that away.

Backbench Business

Forced Adoption in the UK

2.45 pm

Alison McGovern (Wirral South) (Lab): I beg to move,

That this House recognises the pain and suffering that the historical practice of forced adoption caused many women and children; and calls on the Government to issue an apology to women and children affected by that practice.

This is a year of feminism. It is 100 years since the demands for women's votes were finally heard in this place. What progress we have made in those 100 years! We should be in no doubt, however, that the pace of progress is never constant, and in those 100 years women have needed to fight and fight again to see their rights respected. That is the true story of our past. There is a sadly long list of deeply shameful practices against women that were hidden and tolerated in the past and which colour the treatment of women today. While our past never determines our country's next steps, it is always the backdrop for our future; the past always sets the scene. That is why historical injustices must be uncovered, understood and acknowledged. Honesty allows us to learn, honesty helps us to change and honesty gives people back the dignity of the truth about what happened to them.

The debate today covers one such practice. Most people in this place will be aware of the way in which young mums were treated in the past. Long before the last Labour Government were successful in their teenage pregnancy strategy to halve teenage pregnancy rates, or before we had the proactive strategies to help young mums that we do today, many young women who had become unexpectedly pregnant were hidden away and told that their child was to be adopted. They were told by representatives of the Church and state that it would be for the best; the aim was to maintain some idea of so-called respectability. This process has long been shrouded in mystery. We know that several Churches were involved, including the Church of England and the Catholic Church, and that this process was not limited to the UK; it happened around the globe—Australia and Ireland have already acknowledged the role their Governments played.

Forgive me, Madam Deputy Speaker, if I explain briefly how I came to think about this matter. The story involves two former Members of this House: Gordon Brown and Ann Keen. I had the honour of serving as Gordon's last Parliamentary Private Secretary. One of the many benefits I have felt from that time has been the pleasure and honour of getting to know Ann Keen, who represented the people of Brentford and Isleworth between 1997 and 2010 and was Gordon's PPS during his time as Chancellor of the Exchequer. Before she came to the House, Ann served our country as an NHS nurse, and she became one of our Health Ministers in government. I was also lucky to know Ann's husband, Alan Keen, who represented Feltham and Heston in this place and who was a great friend to many here. I am very pleased that Ann is here today, along with others who experienced historical forced adoption.

Given the events surrounding the Hillsborough disaster, I have some understanding of historical injustices and how they burn. When, some time ago, Ann told me

her story, I became very interested in how the historical practice of forced adoption could be brought to light and, what is more, how it came to happen at all.

Since that time, my constituent Sara, an adult whose mum was also treated in this way, has been in touch with me. Sara now runs a small charity that helps people to trace family members. She has explained to me how long-standing distress caused by the practices we will discuss today can cloud a person's whole life. Sara has suggested to me that the Government might want to consider a small specialised service dedicated to the group affected. I will say more later, but the idea has merit.

It is estimated that about half a million British women were treated in this fashion, all of whom have families who are affected and all of whom must have been profoundly changed by the experience. I have come to see that Ann's story is typical of many. Ann's dad was a steelworker at Shotton, which is quite near my constituency, and the family were not at all wealthy. Ann became unexpectedly pregnant in 1966, when an older man with whom she worked forced himself upon her. Her family were horrified and the decision was taken that she would move away, where she would meet a local moral welfare worker—that is what social workers used to be called—and it was just assumed that the baby would be adopted. This moral welfare worker told Ann that the baby would cause her family hardship. She was told that, if she loved the baby, she would give it away. She was told it was for the best.

Ann ended up in what we think was a home run by the Swansea and Brecon moral welfare association. The home was draconian, and women were forced to clean and undertake menial tasks. From speaking to lots of others who have gone through this, I understand that that was very common. From the many stories of women who were treated just like Ann, there is one consistent impression: it seems obvious that those in positions of power with whom the women came into contact felt that the women ought to be punished. It is almost as if there was an unwritten policy that women ought to be treated badly. We owe it to that generation of women to ask ourselves who decided that they should be treated in that way. Why were the homes run like that? Whose policy was it?

A further crucial fact is that most of the people to whom I have spoken who have experienced forced adoption gave birth in the NHS. The national health service, which we rightly venerate, is part of this story. The midwives gave the impression to the mums that they knew the babies would be adopted. The women to whom I have spoken have a consistent history of treatment during labour, in that pain relief was withheld. If stitches were required after the birth, as they often are, it was done in the most uncomfortable way possible.

Ann, who later became a nurse, as I said, told me that in hospital she realised she was absolutely powerless. After the birth, mothers were often told, "Your baby is going to be adopted. Don't get too attached." Contact with the baby was controlled and restricted in many cases I have read about and, even by the standards of the time, these mothers were treated very differently from other women giving birth. These women were made to feel ashamed of their bodies and of their pregnancies, and that culture of shame was perpetrated by officialdom in one guise or another.

It is a complex history but I, for one, would like to know how it happened. Babies were adopted and, from the accounts I have read and listened to, it is hard to see that any meaningful consent was given. Many adoptive parents, who were dedicated and wonderful people, gave the babies loving homes, and mums were constantly told that it was simply for the best. But even where children were in loving homes, how could it be for the best if it was not really the mother's decision? That cannot be right. These women seemed to be denied their most basic right, the right to hold their own opinion.

This is my question to the Minister: has anybody checked the historical records to discover what we know about how women were treated and why? Has anyone in government ever looked back over the records that are held about the NHS to find out what the process was for assisting young mums from moral welfare association homes? What is more, who paid for those homes and why? Much may not have been written down, but I find it hard to believe that nothing was written down and that there are no records.

From their accounts, it appears that many of these women were unable to make an informed decision about their pregnancy and adoption because they were told that their family would not get any state support for their child, yet Beveridge's welfare state existed from 1948 onwards. By the 1960s, though imperfect, it was well developed. I have asked the House of Commons Library what the rules were for supporting children from 1948 onwards, and I am told that there were family benefits available, especially after the creation of child benefit in 1975. Even before that, there was family allowance, which was worth about £800 per year in today's money in the late 1960s. That information seems to have been hidden from these young mums—why? Who decided that it would be?

We can never re-legislate the past—we can't—but we must try to understand it. These policies were designed to make a so-called "problem" go away. Society had decided that something that is entirely natural was shameful. Women and children were hidden away to protect the fragile sensibilities of others, and it was a great injustice, and then that culture of shame and terror has made them keep quiet. For far too long, we have been told about this generation of mums, "She gave the baby up", a phrase that undoubtedly implies consent, but that was never true. It has been a hurtful lie. Women were told that it would be for the best, and then the world was told that that was what they wanted.

Clearly, there has also been a huge impact on the generation of children who were adopted. As I have said, many of the adoptive families will have provided loving and brilliant homes, but the cultural story that these children were "given up for adoption" may well have meant that those adult children still live with the idea that they were not wanted by their birth parents, which in many cases was just not true at all. The long shadow of all this has huge implications for the mental health of the mothers, children and families that these policies affected. For some it has been utterly devastating, and has had the most significant consequences for their lives.

The Government today could assist in setting the story straight and helping people to understand what happened to them. That brings me to my final point—the need for an apology. As I have said several times, it is

not for this House to legislate over the past, nor is it for us to decide that there ought to be one blanket approach for every family. Many will wish to simply turn a page in their history and move on, but for those living with desperate grief or furious anger there is a course of action that will help: in addition to looking for all government sources of information on this process and publishing them in an appropriate manner, the Prime Minister, on behalf of our nation, should apologise. Julia Gillard, the then Prime Minister of Australia, did so on behalf of her country in 2013 and Leo Varadkar did so on behalf of Ireland this year. There is no reason not to do it and every reason to do it.

As a woman who has experienced the culture of shame that stops women feeling proud and confident in their own skin, I would like to understand this history a little better. Women collectively live in the shadow of these events and hear from their teenage years that their body is something to be embarrassed about. Undoing that cultural attitude requires, for all of us, an acknowledgment of how wrong this course of action was. So here is my request to the Minister: let us collectively tell the truth; acknowledge that the history of women in this country is not just the heroism of the suffrage movement and then the presence of a female Prime Minister, with zero struggles in between; show that the origin of the shame that stops young women standing up for themselves, even now, today, is these dark roots that we are talking about this afternoon; and bring those roots out into the open and say that it was wrong.

In summary, the Government could do three things: First, they could check all official records and documentation for evidence that related to this practice, and publish it. Secondly, they could work with organisations who support people who experienced the consequences of historical forced adoption and do something to help with tracing, counselling and emotional support. We are talking about a relatively discreet group of people and it would not be an investment from government that was needed forever, though it is very much needed now. Lastly, and most crucially, they can say sorry and apologise on behalf of the nation. Simply by doing so, the Prime Minister would make a great difference to all those who were told that the natural function of their body was a shameful thing. Simply by apologising, she would send a message to anyone unexpectedly pregnant today that they ought to expect help and support, and never approbation. Most of all, she would send a message to every woman in this country that our past, where women were blamed and robbed of their power, is finally the past.

2.59 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I thank and pay tribute to my hon. Friend the Member for Wirral South (Alison McGovern), who set out the case for this motion incredibly powerfully. Hers will be a tough speech for me to follow.

I thank the campaigners from the Movement for an Adoption Apology—known colloquially, as MAA—for their ongoing efforts, with others, to push this Government and previous Governments for many years on the important demand for an apology. In particular, I thank my step-mum, Jean Robertson-Molloy, who is present today. Jean is one of the founding members of the MAA campaign.

[Stephen Twigg]

I join my hon. Friend the Member for Wirral South in thanking our good friend and former colleague, Ann Keen, who is also present. The MAA campaigners have experienced first hand many of the issues that my hon. Friend set out so powerfully in her opening speech and have provided testimony that reflects the pain and suffering that they have experienced. I am also thinking today of the thousands of women and, indeed, their children who still find the situation too painful to discuss openly. As my hon. Friend set out, they all deserve an apology for the ordeal that they were put through.

As has already been said, forced adoption is not just part of our hidden past as a country, but part of the hidden pasts of many other countries around the world. Many women who suffered in Australia or Ireland have now had some form of inquiry or apology from their Government. In New Zealand, the new Prime Minister, Jacinda Ardern, is currently considering asking a New Zealand select committee to investigate how previous Governments in that country handled forced adoption, yet we still await any inquiry or apology here. We have an opportunity to learn from these close allies of the United Kingdom—Australia, New Zealand and Ireland—and, crucially, to develop a process that learns from what happened in those three countries and really engages with the voices and experiences of the women and children affected at the time.

At heart this is a human rights issue. Article 8 of the Human Rights Act 1998 outlines

“the right to respect for...family and private life”.

In the case of forced adoptions, it is surely absolutely clear that the parents and children have been denied that most basic of human rights. If the Government accept that that is the case, surely we have a responsibility as a country and they have a responsibility as a Government to address the matter urgently.

As my hon. Friend the Member for Wirral South said, five years ago the then Prime Minister of Australia, Julia Gillard, apologised on behalf of the Australian Government to people who had been affected by forced adoption or removal policies. A Senate inquiry, which had been the impetus for Julia Gillard’s apology, found that babies were taken illegally by doctors, nurses, social workers and religious figures and adopted by married couples. The mothers were often coerced—sometimes even drugged—and their children were taken away from them without their consent. Original birth certificates were then sealed away and a new one was issued that left no mention of the birth parents. This story is all too familiar to the women and girls in this country who were caught in similar circumstances from the 1950s onwards.

As my hon. Friend said, only last month the Taoiseach of the Republic of Ireland, Leo Varadkar, recognised the issues surrounding the forced adoption of children in Ireland. He apologised to 126 people who had been adopted illegally between 1946 and 1969, saying the apology was part of

“another chapter from the very dark history of our country”.

His Government committed to an independent investigation to review the records of adoption services, which will almost certainly lead to the discovery that more births were illegally registered in Ireland.

Apologising for the actions of past Governments is not straightforward. The fact that both Ireland and Australia have been able to do so, and that they have not simply apologised but have held thorough and in-depth investigations, shows that it is possible to achieve some justice—delayed justice—for people who have been caught up in this scandal. I urge the Minister and the Prime Minister to follow the example of those close allies and devise a way to apologise. An apology is one aspect of justice. When I spoke to the campaigners, they made it very clear to me that they want not only an apology, but a process in which their voices are heard and in which their experiences are taken into full account. Their voices are, of course, those that we need to listen to.

I want to spend a moment or two now recalling the testimony of some of them. Helen Jeffreys gave birth to a son in Leeds in 1965. When her son was two months old, her social worker refused them any more help and said that they had to leave the mother and baby home in which they were staying. Eventually, Helen had to give up her son for adoption. At the time, this meant that she would never get to see him again, as the legislation that is now in place to request a birth certificate on an 18th birthday did not exist at that time. Helen said:

“I was 18 and a perfectly competent mother. I wanted to keep him.”

Sadly, as we have heard from my hon. Friend and as I am sure we will hear from other accounts during the debate this afternoon, Helen was coerced into giving her son up for adoption.

Although much of the testimony that I have read and have heard about at first hand does involve children being forcibly removed from their parents, this scandal forces us to engage with some of the wider social attitudes that prevailed in the 1950s and the 1960s. Young, single mothers were often ostracised from their communities and their families simply because of their pregnancies. They might have been referred to as “trouble makers”, “deviants”, or morally or mentally at fault. In a society where that narrative was widely shared by families, by communities, by Churches and by the Government and Parliament at the time, it was no wonder that many women felt pressured and that they had no other choice but to give up their children.

Lorna gave birth to a girl in 1969. Her boyfriend had thrown her out of the house while she was pregnant and she had ended up squatting in London. As with many women at the time, her family were strict, so she did not feel that she had the option to go back to the family home. She was placed in the care of a religious social worker who forced her to read the Bible regularly simply to account for the dreadful sin of being a single mother-to-be. The Church told her, with no empathy and no compassion, that she had no choice but to give up her daughter for adoption. A few months after the baby was born, Lorna gave her up for adoption and they did not see each other for another 36 years.

Those are just two examples. There are hundreds of Helens and Lornas who have been caught up in this national scandal. They have been waiting patiently for years—in fact, for decades—for some kind of explanation why they were forced to give up their children and for some kind of justice. Lorna says:

“Although an apology cannot heal the pain of separation that thousands of women like myself have had to deal with, I would like to hear someone in authority say that simple word ‘Sorry’. We have a right to it.”

These women, these mothers, absolutely have the right to an apology. I thank the Backbench Business Committee for giving us this opportunity today to amplify support in this Chamber for that call. In her 2013 apology, Julia Gillard said:

“As a nation, we’ve got to be prepared to look in an unflinching way at our past and when we see a wrong, we have got to be prepared to recognise it, name it and act to redress it.”

This is surely something from which all Governments can learn. I hope that it is something that this Government will take note of and act on. The women caught up in this scandal have been trying for too long to achieve justice. Now, the Government have an opportunity to act.

3.9 pm

Alex Sobel (Leeds North West) (Lab/Co-op): Today is the first anniversary of my maiden speech and this is my 100th contribution in this place. Giving a voice to the voiceless is a central cause that my Labour colleagues and I seek to deliver. Speaking in this debate is a most apt way for me to pursue my purpose in Parliament. I thank my hon. Friends the Members for Wirral South (Alison McGovern) and for Liverpool, West Derby (Stephen Twigg) for their touching contributions and for securing this important debate. As a member of the Backbench Business Committee, I was delighted to support the allocation of the debate.

I would like to share directly the story of a woman from my home city of Leeds, as did my hon. Friend the Member for Liverpool, West Derby. Helen Jeffreys was 17 when she gave birth to her baby son, with no support available, no access to advice and certainly no access to any housing or social benefits. Her son was forcibly taken from Helen and placed for adoption. She said:

“We weren’t given a choice—no offer of support at all, I held out until the last possible moment and it was obvious to everyone that I wanted to keep him but he was quite literally dragged out of my arms.”

Helen’s son was born in Leeds, but placed by the Church of England adoption society in York. He was allowed no contact with his birth mother or father. In a world without fertility treatment, there were many would-be parents desperate to adopt children. As Helen puts it, the culture was

“to get the mothers out of the way as quickly as possible.”

Her son was given no information about his birth mother and father. When Helen requested his adoption file years later, she found a one-page document with many factual inaccuracies. The paper, for example, noted the occupation of the birth mother and father as “art students”, when they were not art students.

Since then, Helen has been reunited with the son she lost many years ago, but we must remember that this is not the end of the story. Television programmes can lead us to believe that a reunion is equivalent to the happy endings that exist in fairy tales. It is, of course, nothing of the sort, and it can bring up all sorts of new issues and challenges that must be dealt with by the families—both adopted and biological.

What happened to Helen and many, many other mothers like her is a national disgrace. It is not history. It is real life pain, grief and suffering that lives on today in the lives of those who have to carry those memories and those histories. I thank Helen for sharing her story with us, but it is time that we gave something back to

her and all the other mothers in that situation. We must learn the lessons and understand properly the pain that still exists today. I am sure that this House would agree that Helen deserves an apology, at the very least. Now is surely the time for the Prime Minister to step up to the plate and give Helen and all the other mothers the apology that they deserve.

3.12 pm

Bambos Charalambous (Enfield, Southgate) (Lab): One can only imagine the stress and heartache that many women face when giving a child up for adoption. For virtually all women, there is an everlasting sense of loss that remains with them throughout their lives and guilt about giving up their child to an unknown future because they are unable to look after their baby. Thankfully, there are support agencies and charities that people can turn to for advice about parenting and adoption. We are also fortunate enough to live in a country where raising a child as a single parent is not taboo and is generally accepted by society. Unfortunately, this was not always the case.

In post-world war two society, there was a moral backlash against women who were pregnant, with some women being thrown out of their parents’ homes for bringing so-called shame and disgrace on them. Social workers and others in authority were not necessarily helpful in counteracting those attitudes, and adoption was pushed on young pregnant women as the only sensible option for them. Pregnant women were then sent to mother and baby homes run by religious or state organisations that made the pain and suffering worse. As my hon. Friend the Member for Wirral South (Alison McGovern) so eloquently described, this is where the suffering took place and where the forced adoption happened. They were not advised about things like the National Assistance Act 1948, which was introduced by the Government to help those who were destitute and thus could have helped them. Nor were they advised of any other benefits they could have sought to help them to find a way through the difficult situation they were in.

One such woman was my constituent, Jean Robertson-Molloy, who is present here today and was referred to by my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg). Jean reluctantly had to give up her baby in 1950s, having been pressured to do so, and her daughter was sent to be adopted in New Zealand. Jean spent years of anguish and guilt wondering what had happened to her daughter and what sort of a person she was developing into. It is hard to know whether this is what inspired Jean to become a social worker, but she dedicated her life to helping others. She was eventually reunited with her daughter, so that story had a happy ending. However, the adoption seriously affected her life and that of her daughter, who felt the same as many children who have been adopted, wondering why they were given up for adoption and why they were rejected.

Jean, realising that her experience was not unique, decided to help found a group called the Movement for an Adoption Apology. This movement has been actively campaigning over the years. It is seeking an acknowledgement and an apology from the Government in recognition of the fact that the state turned a blind eye to the false adoption scandal, causing a great deal of

[*Bambos Charalambous*]

distress and mental anguish to those affected. On 21 March 2013, Australian Prime Minister Julia Gillard gave a full apology, on behalf of the Australian Government, for false adoption. Leo Varadkar, the Taoiseach of Ireland has also given such an apology recently.

The Movement for an Adoption Apology is asking the Government to do the same. The harm done over the years by forced adoption cannot be undone by an apology, but an apology would go a long way to comforting those affected. Will the Minister therefore ask the Prime Minister please to make such an apology to the mothers and children affected by false adoption, to tell the full story of the false adoption practice that happened all those decades ago but is still very much an issue for those affected and to provide the support that is so desperately needed, still to this day, by everyone who has been affected by this scandal?

3.17 pm

John Mc Nally (Falkirk) (SNP): The narrative we have heard today, particularly from the hon. Member for Wirral South (Alison McGovern), has expressed all the concerns and high emotions involved in this awful, unjust practice. We have enormous sympathy for mothers who went through this. It is right that our social attitudes have moved on and we now have robust safeguards in place with regard to adoption. I thank the hon. Lady for securing this debate.

These mothers were, as we have heard, forced to make extremely upsetting choices simply because of the prevailing moral standard of the time. I know that Scottish Ministers have a great deal of sympathy for those women, whose accumulated experiences clearly show them to be the victims of the prevailing moral and social behaviour of the time. Nowadays, it is only right and just that we have more robust safeguards in place when mothers and other people consider adoption.

It is widely accepted that in the years after world war two until the 1970s, many single mothers were reluctant to part with their babies but, in reality, they were faced with little choice. Public opinion and private moral standards at the time placed enormous pressure on single mothers, making it impossible for many to retain care of their babies. Since the 1970s, there have been major shifts in the way we see the family, single mothers, and the rearing of children. Our society has rightly moved on, and we know that there is nothing wrong with single or unmarried women bringing up children.

The Scottish Government provide funding to Birthlink, which, in turn, provides services to individuals and families separated by adoption. This includes maintaining the adoption contract register for Scotland, whereby the agency helps children, parents and relatives who have been affected by adoption, either by looking for somebody, getting information, or just providing someone to talk to. The notable Scottish author Irvine Welsh is the patron of Birthlink, and he summed up its great work when he said:

“Birthlink is an organisation which brings people together, when often cruel circumstance has parted them. Ultimately, all we have in life is each other, so I’m proud and honoured to be a patron of this wonderful charity.”

I echo his sentiments.

The Scottish Government provide and maintain the adoption contact register for Scotland, as well as services to individual families separated by adoption. They develop partnerships with local authorities and voluntary adoption agencies to share expertise and highlight the importance of post-adoption services, with a view to exploring additional sources of income and, importantly, raising the public profile of the adoption contact register for Scotland, increasing the number of service users and improving the current website.

It is right that we have robust safeguards nowadays when people consider adoption in Scotland. For example, should a birth mother want to place her child for adoption, the following will happen. Before the birth, the birth mother and any relative whom the mother has chosen to involve will be offered advice and information about adoption by social work services. If any member of the child’s biological family might be willing to adopt the child and that is something the birth parents wish to consider, information and details of the legal process will be offered. Information will also be offered on the type of families available; what issues can arise for adopted people and birth parents across the life span; and what opportunities birth relatives have to meet prospective adopters. Every effort is made to establish whether the decision is being made freely by the mother and that she is not being pressured by anyone. If wanted, there could be an offer of a referral to counselling services, with ongoing support from social workers.

Once the child is born, arrangements will usually have been made for the child to be placed with foster carers and prospective adopters, but the mother is encouraged to see and hold the child and meet the foster carers or prospective adopters before the child is moved from the hospital. Legally, a mother’s consent is ineffective if it is given fewer than six weeks after the child is born. That is simply to give the mother a chance to bond with the child and an opportunity to change her mind, regardless of any previous discussions. It is not unknown for birth mothers to change their mind following the birth of the child. Should that happen, every encouragement and support is given for her to assume care of her child, unless there are serious child protection concerns.

Once the child is placed with adopters, plans are usually drawn up about what information will be shared between adopters and the birth mother. The mother will be offered a number of follow-up sessions with a social worker, but many choose to get on with their lives at this point. That is a great progression. Facilitating information exchange creates opportunities for the birth mother to link up with the adoption agency and seek additional support if she requires it. The birth parents are eligible for adoption support services. Some agencies offer support groups. Others might refer the mother to mental health services, and birth mothers might contact informal groups via the internet.

In the case of contested adoptions, while social work services within local authorities and other adoption agencies may recommend that a child be placed for adoption, it is ultimately the decision of a court whether to grant an adoption order or not. If one or both of a child’s parents oppose the granting of an adoption, the relevant court must decide whether the parents are unable satisfactorily to discharge their parental responsibilities and exercise their parental rights and are likely to

continue to be unable to do so. The welfare of the child is the paramount consideration in the granting of an adoption order. Contested adoptions do not affect discussions about possible information exchange and the support offered to birth parents. However, as birth parents are likely to reject discussions about potential adopters and meeting them and be resistant to adoption plans, they will be unlikely to accept any offers of support available.

To conclude, it is so important to provide lots of TLC and understanding to mothers at this extremely difficult time. We all appreciate the work that Birthlink and other organisations provide to mothers and families at this most sensitive time. We agree that the Government should issue an apology to women and children affected by this practice, and we support the Movement for an Adoption Apology.

3.24 pm

Mrs Emma Lewell-Buck (South Shields) (Lab): I thank my hon. Friends the Members for Wirral South (Alison McGovern) and for Liverpool, West Derby (Stephen Twigg) for securing today's debate, and the Backbench Business Committee for granting it. I also thank the Movement for an Adoption Apology for its tireless campaigning work.

The pain and suffering that the historical practice of forced adoption caused has largely been expunged from the history books and has received limited attention, yet the physical and emotional scars left behind are very real, very current and have an enduring daily impact on the women, children and families involved. Their suffering is made more painful by the fact that, as each day passes and no formal inquiries of any shape take place, the full truth may never be known. They may never be able to reunite with their children or share with them their story. Worse still, many adopted adults do not seek out their birth parents, as they and their adopters are under the false impression that they were freely, not forcibly, adopted.

At the heart of today's debate are harrowing human stories, such as those we have heard from my hon. Friends the Members for Leeds North West (Alex Sobel) and for Enfield, Southgate (Bambos Charalambous), about thousands of women and the babies that were taken from them after intensive coercion, at times force, and deceit carried out by the very institutions of the state that were supposed to help and support them. There were no choices. Ann Keen, our friend and former colleague—her story was told characteristically eloquently and passionately by my hon. Friend the Member for Wirral South—very clearly showed that this was not about choices.

This was a cultural attitude fostered by institutions and parts of the state that, instead of acting in the best interests of women and their babies, did the exact opposite. Culturally, the 1950s, '60s and early '70s, when the majority of these forced adoptions took place, was a very different time. That point was mentioned by my hon. Friend the Member for Liverpool, West Derby. Today, adoption orders are largely made as a last resort to keep children safe from harm, but in the post-war years, many women who were pregnant out of wedlock were chastised and deemed unfit for motherhood. Birth control was less reliable, while the contraceptive pill was available to women only from 1967, and even then only

to those who were married. Welfare benefits were not as easily accessible, and sex education was non-existent. It was also a time when people held institutions of the state—teachers, welfare and social workers, benefits advisers, NHS staff, the Church and GPs—in much higher regard than they do now. Particularly in working-class communities, anyone who held such a role was respected and listened to by the community, and their advice was acted on, even when the advice was wrong.

This debate has only been made possible by women coming forward and sharing their painful stories. It is my honour, although with a heavy heart, to share a few of them today. Diana Defries, initially out of abject fear, concealed her pregnancy. When she eventually saw her GP, she was shipped off miles away from her home in London to a strict mother and baby home in Southampton. She was made to undertake physical work until she was admitted to hospital to give birth. In the hospital, she was treated like she did not matter. She was separated from her baby, given Valium daily—she refused to take it—and injected with a drug, which is not recommended now, to stop her lactating. After 15 days with her baby, she was taken on a train to Waterloo station. When she arrived, she was taken to the Crusade of Rescue Offices in Ladbroke Grove, and her baby was forcibly taken from her.

Diana was 16 years old when she gave birth to her daughter, Stephanie. She had not long turned 17 when Stephanie was taken from her in October 1974. She received no post-natal care, and she was lied to by social services. She was told she had no other options, and that adoption was the best option. She was told she was too young to receive any help, and a week later she was sent back to school and sworn to secrecy. She has not had any more children, but, thankfully, she is reunited with her daughter. In her words, they have

“had to navigate a lot of challenges”,

and she rightly states that any apology should be for both of them. Attachment is a two-way process: children separated from their birth mothers will, to varying degrees, feel a sense of trauma and loss, no matter how young they are or how long they have spent in their mum's care.

In 1964 Veronica Smith was 24 years old. She was sent to a private maternity hospital and isolated from everyone she knew, right at the time when she needed them more than ever. She was with her baby for one week until an advert was placed in a local paper, and her baby was fostered and then adopted by strangers. Veronica's story, like so many others we have heard today, is a story of powerlessness, and of things being done to women, not with them, on the false assertion that they and their babies would be better off that way, and that if they really loved their babies, they would not resist adoption.

Another woman told me that she was raped behind a local pub by her then boyfriend's brother. Her baby was placed into foster care and adopted at four months old. She described to me her treatment by officials as being characterised by submission and deep shame, but the only shame here should be firmly on the shoulders of those who harmed her and the state institutions that failed her and her baby.

Others have told me of being abused when they were sent away, or being ostracised and subjected to degrading and vicious verbal abuse from professionals. The common

[Mrs Emma Lewell-Buck]

thread running through all those stories is one of lies, control, coercion, force, abuse and cruelty, which has led to a lifetime of mental health difficulties, physical harm and emotional distress. For someone not to know where their child is, or whether that child knows that they were forced into giving them up, is a deep and pervasive pain.

Today we are asking for a simple and straightforward act by the Government: an apology to the women, children and families for their enduring pain and undue suffering. As Diana said, such an apology would “allow us to show the lifelong impact of unexpressed grief for unacknowledged loss.”

In his response, I would like the Minister to explain briefly his Government’s grounds for rejecting a public inquiry, and say whether he is considering other ways of shedding light on these travesties, such as conducting an initial scoping exercise in his Department, or appointing a small team to review the issues raised today. As my hon. Friend the Member for Wirral South suggested, he could set up some support groups and make documents available. The Minister does have options available, and I say politely to him that he should use them.

We now live in different times, and although the likelihood of what happened to Ann, Diana, Veronica and thousands more women happening today has diminished, their pain endures every moment of every day. The very least they deserve is an apology, and I sincerely hope that the Minister will confirm that they will get one.

3.32 pm

The Parliamentary Under-Secretary of State for Education (Nadhim Zahawi): I commend the hon. Members for Wirral South (Alison McGovern) and for Liverpool, West Derby (Stephen Twigg) on securing this important debate. No one can fail to be moved by the plight of the young mothers and their children whose lives have been blighted by the unacceptable practices of the past, and it is only right that this House acknowledges their unnecessary pain and suffering.

Many of my colleagues have spoken movingly about their constituents. The hon. Member for Leeds North West (Alex Sobel) spoke about Helen, and the hon. Member for Enfield, Southgate (Bambos Charalambous) spoke about Jean Robertson-Molloy, who happens to be the step-mum of the hon. Member for Liverpool, West Derby. The hon. Member for Wirral South spoke emotionally and movingly about our former colleague, Ann Keen, and about Helen Jeffreys, and the hon. Member for Falkirk (John Mc Nally) outlined the excellent work done by Birthlink.

I wish to add my voice to those of my colleagues, and express my deepest sympathy to all those affected. These women were let down, in many cases by their families who would not support them, but also by professionals and organisations in the sector who allowed society’s moral attitude towards unmarried mothers at that time to influence their practice. As Members have described so eloquently in bringing to life those tragic stories, women were put under enormous pressure, and often faced the stark choice of returning home without their babies or fending for themselves. The devastating consequences for these mothers, and for their sons and

daughters, are clear to see. Mothers talk of their feelings of loss, guilt and shame, of their unbearable grief for a lost relationship, and of not knowing whether their child is still alive. We know that many adopted children have suffered too, with overwhelming feelings of rejection, struggling with their identity and difficulties in bonding and forming attachments.

The hon. Member for Wirral South spoke movingly about the experiences of her constituent Sara and Sara’s mother, and the impact on their lives. It is truly shocking to hear how single mothers were treated at that time in our country. Adoptions during that period were generally handled through agencies run by the Church of England, the Roman Catholic Church and the Salvation Army—they have quite rightly apologised for their involvement in past poor practice.

It is important to recognise and accept that the legislation at the time was not robust enough to prevent what happened. I deeply regret that that was the case. Successive Governments have since taken action to strengthen the legislative framework so that it cannot happen again.

The hon. Member for Wirral South rightly said that it is important to understand what happened in the past and who was responsible. These issues were looked at closely by the Houghton committee in 1972, which covered the key issues of who arranged adoptions and the problems that brought, evidence about mothers being unable to give proper consent to relinquish their babies, and the lack of access to birth records to allow tracing later in life. It also covered the issue the hon. Lady raised about the role of the NHS and private nursing homes and reported that the British Medical Association had called for changes to how adoptions were made. I think it is unlikely that further research will bring new information. Evidence provided from birth parents suggests that record keeping during the time was poor, absent and often inaccurate.

Alison McGovern: The Minister is making a really worthwhile speech. He just mentioned a report, I think of a committee of this House. Will he be so good as to ensure that the report is made publicly available? He might ask the Library to do that, because it is very important to point to the work that has already been done. It sounds as though it was done a long time ago, so that is something we will want to discuss as we go forward.

Nadhim Zahawi: I thank the hon. Lady for that point, and I will certainly endeavour to do so.

Let me move on to why lessons have been learned from the past. We are confident that what happened to these mothers and their children could not be repeated today. Society now takes a very different attitude to single mothers. The legislative framework has been transformed beyond recognition. Today, the key principle is that children are generally best looked after within their family, with their parents playing a full part in their lives. Single mothers are given the support they need so that they can remain as a family. That is as it should be, as I am sure we all agree.

Mrs Lewell-Buck: Can the Minister clarify that the report he has referred to was produced in 1972?

Nadhim Zahawi: Yes—I did say that when I referred to it.

Children can only be removed permanently by a court without the consent of the parents if the court is satisfied that the child is suffering significant harm or is likely to suffer significant harm if they remain with their birth family. Courts must consider all the evidence put before them, including evidence from the parents themselves, who will have legal representation. Adoption agencies and fostering services are now inspected by Ofsted, whose role is to ensure that practice is in line with the legal framework.

For the mothers who are at the heart of this debate, it is essential that they are able to trace their children and that their children can establish their parentage. The hon. Member for Wirral South called on the Government to work with organisations that support people who experienced the consequences of historical forced adoption to create a small service that will help with tracing family and support. Those affected by past adoption practices can already access intermediary services to help them to trace their birth children or birth parents and establish whether contact is possible.

Intermediary services are provided by registered adoption agencies, including local authorities, voluntary adoption agencies and registered adoption support agencies. When an intermediary agency finds a person, contact can be arranged if both parties agree. Birth relatives and adopted adults can also add their details to the adoption contact register at the General Register Office to find a birth relative or an adopted person. There is support for birth parents and adult adoptees who have suffered with mental anguish and illness. In addition to the NHS mental health services available for those with conditions such as stress and depression, a number of voluntary adoption agencies and adoption support agencies offer specialist birth family counselling, often under contract to local authorities.

I should like to thank again the hon. Members for Wirral South and for Liverpool, West Derby for today's debate. The shadow Minister, the hon. Member for South Shields (Mrs Lewell-Buck), asked specifically about a public inquiry. None of us disputes that these women were victims of poor adoption practice all those years ago, but I believe that it is unlikely that a public inquiry would uncover new facts. We believe that the lessons of the time have been learned and have led to significant change both to legislation and practice now. No child is removed from their birth family unless they have suffered significant harm or are at risk of such harm, and of course, parents have legal representatives.

Stephen Twigg: The Minister referred to a 1972 inquiry. Does he recognise that a lot of the mothers who have now spoken openly would not have done so at that time,

and I imagine would therefore not have had an opportunity to have their voices heard in that inquiry? That is the case for some kind of process, be it a public inquiry or some other process leading to an apology now.

Nadhim Zahawi: The hon. Gentleman raises an important point, and I do take it on board. I am very happy to meet one or both hon. Members—the hon. Gentleman or the hon. Member for Wirral South—and if they bring the mothers with them, I can hear directly from them as well.

I hope that all those affected can take some comfort in the knowledge that what happened to them is so public and is on public record for all to see and understand. This House rightly acknowledges that this appalling historical practice has left a legacy of hurt and pain. I hope that where possible, many a mother and a child can be reunited and be given the comfort of building a family relationship.

3.43 pm

Alison McGovern: It has been my pleasure and honour to lead on this debate. I thank the shadow Minister, my hon. Friend the Member for South Shields (Mrs Lewell-Buck), who gave an excellent speech, as well as the Minister, who has listened carefully. I will make a couple of brief remarks on what he has just said. His offer to meet us was very welcome and will be taken up. We might then talk in some detail privately about the reasons why local authority services might not always be able to meet the need that there certainly is, and a little more about why it is crucial that the Government consider a public apology, delivered by the Prime Minister. I will look forward to speaking directly with the Minister on that point.

I thank my hon. Friends the Members for Liverpool, West Derby (Stephen Twigg), for Leeds North West (Alex Sobel) and for Enfield, Southgate (Bambos Charalambous), who all participated in an eloquent way. Most of all, I thank the women who are the reason we are here today. I am glad that we have opened the door to their stories, which are now on record. They have been through an awful lot just to get to the House today. I hope that the House's affirmation for the motion will lead to a broader acknowledgement of our history, of past practices, and of why those practices were so very wrong.

Question put and agreed to.

Resolved,

That this House recognises the pain and suffering that the historical practice of forced adoption caused many women and children; and calls on the Government to issue an apology to women and children affected by that practice.

Carillion

[Relevant Documents: Second Joint Report of the Business, Energy and Industrial Strategy and Work and Pensions Committees, Carillion, HC 769;

Second Special Joint Report of the Business, Energy and Industrial Strategy Committee and Work and Pensions Committee, Carillion: Responses from Interested Parties to the Second Joint Report of the Business, Energy and Industrial Strategy Committee and the Work and Pensions Committee, HC 1392;

Forty-first Report of the Committee of Public Accounts, Government risk assessments relating to Carillion, HC 1045;

Seventh Report of the Public Administration and Constitutional Affairs Committee, After Carillion: Public sector outsourcing and contracting, HC 748;

Oral evidence taken before the Liaison Committee on 7 February 2018, on Cross-government response to the collapse of Carillion, HC 770.]

3.45 pm

Rachel Reeves (Leeds West) (Lab): I beg to move,

That this House has considered lessons from the collapse of Carillion.

I am grateful to the Backbench Business Committee for scheduling the debate for today, which is timely. This Sunday it will be six months since Carillion entered liquidation. When it collapsed, it employed 42,000 people, more than 19,000 of them working in the United Kingdom. It held liabilities of £7 billion, including a £2 billion liability to 30,000 suppliers and subcontractors, and it held just £29 million in cash to meet those liabilities. In the past six months, nearly 2,500 Carillion workers have been made redundant and more than 1,000 have voluntarily left what remains of the business. Projects have been mothballed and suppliers have faced ruin.

Since the collapse of Carillion, five Committees have looked into the issues surrounding its collapse. Along with the Work and Pensions Committee, my Committee—the Business, Energy and Industrial Strategy Committee—has considered the causes of the collapse. The debate is also timely because this morning our Committees published a special joint report containing 24 responses to our original report. It gave those criticised in the report, and those with a significant interest, a chance to respond ahead of the Government’s formal response to our findings. In the time that I have this afternoon, I shall set out what my Committee found, and what needs to change. I thank fellow members of the Joint Committee, some of whom are in the Chamber today, for their work to uncover the lessons from Carillion.

When it collapsed, Carillion had been in existence for 19 years. It was the second largest construction company in the UK, having grown through large and frequent acquisitions and Government outsourcing. Carillion’s directors, and those who know the construction industry, told us that it was a low-margin industry, and part of a highly competitive market with inherent risks. Businesses do collapse every day, and the process of business creation and failure is part of any well-functioning modern economy, but warning lights should have been flashing when such a big business was on the brink. We should demand the highest standards of corporate governance to help to ensure that British businesses are well run, but that did not happen with Carillion.

Despite its catastrophic failure, the Carillion directors, when they sat in front of our Committee, continually claimed that the business was sound, even after it had gone into liquidation, and that only a handful of contracts had brought it down. They even said that everything was fine until just a few months before the collapse. As late as the day before Carillion went into liquidation, the directors thought that they could avert the collapse. They seemed to have a sense of entitlement, and a belief that the Government would step in and bail out their failed business. In their evidence to us, they blamed everyone but themselves. They blamed the Bank of England, the Canadian construction market, Carillion’s suppliers, and professional designers of concrete beams.

However, the collapse of Carillion has meant that our Committees have been able to see the board papers and minutes from company meetings, many of which we have published. Looking inside the company, we have seen a business that acquired other businesses, and relied on unrecoverable “goodwill” to prop up its balance sheet; a company that kept increasing senior salaries and bonuses, and ensured that a dividend was paid regardless of its own health; a company that was paying suppliers late, and bidding for contracts that it could not afford to deliver on time or on budget.

Carillion’s largest acquisitions—of companies such as Mowlem, Alfred McAlpine and Eaga—allowed it to put “goodwill” on its balance sheet. Those notional values of each acquisition, totalling almost £1.5 billion, were allowed to sit on the balance sheet for year after year, without any link to reality and the real value. When the company collapsed, the good will was wiped out, too, showing its true value—a value of zero. Carillion’s board needed healthy balance sheets to continue its dividend policy of increasing its payout to shareholders, but the truth is that it paid those dividends regardless of whether it had the cash flow required for them. Right up to the spring of 2017, it was promoting its growing payout with little challenge—no challenge—from directors as to whether the money might have been better spent supporting the pension fund, for example, or any part of the failing business.

Despite the growing pensions deficit, there is one area where directors felt able to spend money, and that was on growing salaries for the leaders of the business. Its remuneration committee increased payouts on the basis of industry averages, rather than the performance of the business Carillion. A responsible business would see payment by results, not payment by averages.

When Carillion’s directors needed to prop up their balance sheets, they did so by putting pressure on the suppliers. Carillion was, ironically, a signatory to the Government’s prompt payment code, promising suppliers they would be paid within 60 days. When the code was launched in 2013, Carillion was already known to Government as being poor payers, but the National Audit Office report into the company showed that in signing it up to support the policy the Government seemed to turn a blind-eye to Carillion’s failure to meet its duties to suppliers.

We heard on our Committee from the Federation of Small Businesses that some businesses were waiting more than 120 days for payment and Carillion had become notorious as late payers. Carillion managed to use this to its advantage, arranging an early payment facility with the banks, meaning suppliers could receive payments earlier than Carillion’s 120-day terms but

they would have to face a cut in what they were owed in order to do so. Carillion was effectively borrowing from its suppliers, propping up its balance sheets again without a care for the state of the balance sheets of the thousands of businesses relying on it and doing its work.

Stephen Kerr (Stirling) (Con) *rose*—

Rachel Reeves: I give way to my fellow Committee member.

Stephen Kerr: The hon. Lady is making a powerful case for what we found in the inquiry. As evidence of this house of cards that she is describing, which it undoubtedly was, Richard Adam, the former finance director, told the inquiry that not only did he sell all his shares when he left the business, but he would not be prepared to put his own money at risk by being a shareholder.

Rachel Reeves: I absolutely agree. The directors of the business were not invested in the business. They were not part of the pension fund that collapsed and, as the hon. Gentleman said, Richard Adam, the finance director who oversaw the accounting practices that helped to contribute to the collapse of the company, sold his shares as soon as he could because he knew what we all now know: this business was a failing business that would not be around for much longer.

What we found in Carillion was a board focused on short-term fixes and growing payouts, with no plan for what would happen when the illusion was shattered. Looking at the poor treatment of suppliers when the company was solvent and the trail of destruction the management of the company has caused, I cannot see how Carillion's directors can make any claim that they had anything other than their own personal interests at heart. In the latest responses that we have published today, Carillion's directors continue to refuse to demonstrate any culpability for the state the company was in. They have denied that our report is accurate, but have given no evidence whatsoever to support their case.

Let me be clear: the directors of Carillion are culpable for the company's collapse. They should be ashamed of their performance and they should not be allowed to take the helm of a company ever again.

Kelvin Hopkins (Luton North) (Ind): My hon. Friend is making a first-class speech. Does this not bring to mind the quotation from John Maynard Keynes that capitalism rewards bad behaviour?

Rachel Reeves: I thank my hon. Friend for that intervention. Bad behaviour was being rewarded at Carillion, but the people being rewarded were not the people investing in the business, or the people working for it and saving for their pensions with the business; the people being rewarded were those making the decisions about where the money went—making the decisions about whether to plug the pensions deficit or pay dividends to shareholders. Those are the people who should be paying the price, but under the system we have today, they walk away with their bonuses and their dividends intact. It is other people—the people who are not responsible and did not make the decisions but who did the work—who are paying the price, and that is what needs to be reformed.

When corporate governance is failing, there should be checks and balances, but our inquiry found a regime that was not up to the job of doing that. The first line of defence should have been those who were auditing and advising the company. KPMG, Carillion's auditors for 19 years, continued to give a clean bill of health to the business, even just a few months before the July 2017 announcements that heralded its swift but painful decline. In the report we have published today, KPMG's chairman, Bill Michael, denies any issues with the clean bill of health that his company gave to Carillion just months before it began to publicly collapse. Mr Michael is burying his head in the sand, which reflects badly on his understanding of the impact of Carillion on the reputation of his company, and of the future of audit as an industry. The status quo is simply not sustainable, and the big audit firms must understand that and respond to it.

Competition in industry is supposed to drive up quality and bring down costs. It is not working in the audit market, where a cosy club of four Hoover up huge fees before, during and after any corporate failure, yet their audits and accounts, as one investor put it to our Committee, read like a mystery novel—a fiction, with the reader searching for scant clues on what is really happening. The big four firms audit all the FTSE 100 businesses and all but a handful of the FTSE 350 top businesses, as well as providing them with advice on a range of services. There are conflicts of interest at every turn, and it was left to the least conflicted, PwC, to clear up the mess during the liquidation process.

Kelvin Hopkins: My hon. Friend is making an important point about the audit companies. Is it not a major problem that they are ostensibly there to represent the shareholders' interests against those of the managers but that they are actually employed by the managers, and that if they do not give the managers what they want, they will not get the next contract?

Rachel Reeves: My hon. Friend makes an important point. The people who rely on audit are the shareholders, and also the small businesses that supply the company, the people who work there and the pensioners who have saved for their pensions with that business. But they are not the people who employ the auditor, and they are not the people the auditors are accountable to. The auditor is accountable to the audit committee of the business, and it is often appointed by that committee on the advice of the chief financial officer. So, as my hon. Friend says, the incentives are all wrong.

I am pleased to see that our report has prompted some long-overdue soul searching in parts of the audit profession. While the written reactions of the big four accountancy firms to our report differed, they all seem to recognise that there were issues to be addressed. The Institute of Chartered Accountants in England and Wales has recognised this as a watershed moment, and it is leading a review of the audit profession. I hope that that review will propose some radical solutions. We have now referred the audit market for investigation by the Competition and Markets Authority. The new chair of the CMA, Lord Tyrie, was endorsed in his role by the Business, Energy and Industrial Strategy Committee, and he should now demonstrate the same determination he showed in this place leading the Parliamentary

[Rachel Reeves]

Commission on Banking Standards when he looks at the future of the audit market. I am convinced that we have to find a way of making the audit market more competitive and audits themselves more trusted, and of ending the conflicts of interest that can damage the reputation of some of our economy's major firms.

Behind the company and its auditors and advisers, there are statutory regulators who should have been expected to step in when the business and the audits were seen to be failing. Carillion's finance directors and auditors were subject to scrutiny by the Financial Reporting Council. Now that the company has collapsed, two former CFOs are under investigation for the preparation of financial statements, and Carillion's auditors are subject to further scrutiny. During our inquiry, we heard that the FRC had already taken an interest in the situation at Carillion, and that it had concerns about the quality of previous audits by KPMG. However, the regulator had been far too passive. It accepted extra disclosures being made by KPMG and Carillion the following year without any further follow-up action and, although it found repeat issues with KPMG's wider audit work across other companies, it seemingly took no firm action there either.

Carillion's huge pension debt was a matter of concern to its pension trustees and the Pensions Regulator, the other regulator involved, but the regulator's response, again, was feeble. It threatened to impose a contributions schedule and then left the power unused. It sought to negotiate a payment agreement and then agreed precisely with what the company wanted. It launched action only once the company collapsed and then it was too late. Again and again, the Pensions Regulator barked but did not bite. While plugging the £2.6 billion hole in the pension fund would not have saved the company, it could have reduced the largest ever burden on the Pension Protection Fund, which will see pension holders receive less than they have been promised by their company's scheme. It is telling that none of Carillion's directors was in the collapsed scheme.

The Committees found serious concerns about the performance of both regulators, including their powers, remit and leadership. If regulators are not working well, employees, investors, suppliers and customers can have little confidence in the businesses in which they are invested. Statutory regulators need to be doing more. Across the work of the Business, Energy and Industrial Strategy Committee, we rarely find ourselves criticising regulators for being too bold. Instead, we keep hearing timid bodies apologising for letting consumers down. That needs to change, and the change should be led from the top.

Chris Stephens (Glasgow South West) (SNP): The hon. Lady is making an excellent speech so far. Does she agree that one of the Committee's concern was that the companies that were being taken over all had sick pension schemes and that the Pensions Regulator should have been asking serious questions at that point?

Rachel Reeves: The hon. Gentleman, who sits on the Work and Pensions Committee, is absolutely right. When Carillion took over companies such as Mowlem, McAlpine and Eaga, it was taking on businesses, yes, but it was

also taking on huge pension deficits, which contributed to the problems. However, the business could have decided to address that pension deficit. It was not that nothing could be done. It could have decided to pay money into the pension fund instead of paying out to shareholders and to directors in the form of bonuses, but it decided to do the exact opposite. It made the wrong choices and prioritised the wrong people. It prioritised itself.

The announcement of the Kingman review into the FRC is a welcome start, but the Government must confirm that they are willing to see radical change, including giving regulators more powers if needed and holding them better to account for not using the powers they already have.

The Government, the audit profession and the regulators need to take urgent action. They owe it to the tens of thousands of people affected by Carillion's collapse and to the untold number of people who could be affected if this is ever allowed to happen again. There are some clear lessons. In contracts, best value is not the same as the lowest price. Outsourcing is not always better than doing things in-house. Privatisation does not mean that the risk or the cost of failure when things go catastrophically wrong are contracted out.

We would all like to think that this is a case of one horrendously badly run company—Carillion was horrendously badly run—but with Interserve, Capita and Mitie all facing difficulties, we would have to be pretty brave to conclude that this is a one-off. We need to restore integrity to British business and the firms that audit them. Six months on, we have regulators reviewing and reviews of the regulators, but we need firmer action on corporate governance, on breaking up cosy cartels and on toughening up sanctions for misconduct. To secure our public services, for jobs, for small business, for contractors and for pensioners, that action is needed and it is needed now.

4.4 pm

Sir Bernard Jenkin (Harwich and North Essex) (Con): It is a pleasure to follow the hon. Member for Leeds West (Rachel Reeves). I commend her and the right hon. Member for Birkenhead (Frank Field) for their joint inquiry, which has shed a great deal of light on the situation. It was obvious when Carillion collapsed earlier this year that there was more than just one issue with the company. In general, companies do not go under for simple reasons, and there is no doubt that Carillion was mismanaged. The firm was paying ever increasing dividends, eventually reaching an annual figure of £80 million, while experiencing declining financial performance and an ever more rickety balance sheet. It took some time for that situation to arise.

The reason for Carillion's importance to the Government and the intense public interest is that its failure was not just due to the spectacular nature of its bankruptcy; before its collapse, Carillion built hospitals, maintained schools, constructed bridges and roads and electrified railways. When it failed, it had approximately 420 public contracts with the Government accounting for 33% of its total global revenue. It was a shattering blow to public confidence in the Government's ability to deliver public services via private contractors and providers. That was reflected in my right hon. Friend the Chancellor of the Duchy of Lancaster's recent speech at Reform.

The Committee I chair, the Public Administration and Constitutional Affairs Committee, scrutinises the work of the Cabinet Office and the whole civil service in a way that we hope will improve public confidence in government and public services. We have taken a long interest in public procurement and public contracting, and we saw this crisis as an opportunity to consider the main strategic issues around outsourcing. In fact, we had already—prophetically perhaps—embarked on this inquiry before Carillion collapsed. Its terms of reference included whether the Government made effective decisions on outsourcing the delivery of public services, what lessons could be learned from the collapse and, given that the Government depend on so few public service providers, whether the rules on oversight and accountability of contracts needed to be changed.

PACAC's findings were published this week, and they are stark. We uncover that sometimes the Government have little or no data on the services they wish to outsource or on the facilities they ask companies to manage. In some instances, what Government data there was was actually incorrect. My understanding—we could not put this in the report because we could not get it in evidence—of the Carillion prisons contract is that the Government originally thought they were transferring about 800 assets, but it turned out that the company was taking over the management of some 8,000 assets. How can such vast errors be made? I am afraid that it underlines how badly public services are run by Departments, but the lesson is not simply to pass that ignorance on as a risk to a private contractor and expect it to cope. We know that the Government are aware of that and have demanded that contractors accept in the contract the risks of their giving them incorrect information. There is no excuse for this carrying on.

We uncover a culture focused relentlessly on cost—by which I mean price—whereby companies are pushed beyond the limits of commercial viability and where procedures on transparency are not regularly followed. Most staggeringly of all, the Government cannot accurately assess the capacity of companies to which they are outsourcing to deliver a quality service. During the inquiry, PACAC found several instances where the Government had contracted with the private sector without knowing key data about the services they were asking companies to bid for. For example, in 2014, the NAO reported that the outsourcing company Compass believed that the information provided to it by the relevant Department was inadequate. It was managing facilities for asylum seekers.

Only two months ago, the NAO found that NHS England

“did not know enough about the services it inherited to set achievable...specifications and performance standards”

for a primary care support contract. Asylum seekers, primary care patients—these are the people who, for one reason or another, find themselves utterly reliant on the state to provide their accommodation food and for their basic human needs, and when outsourcing goes wrong, these people are on the frontline and they are the ones who suffer. The Cabinet Office did a brilliant job of rescuing the situation after the collapse and of keeping public services going, but it should never have come to that—the Government should not have to bail out private contracts with hundreds of millions of pounds of public money.

Ronnie Cowan (Inverclyde) (SNP): Will the hon. Gentleman give way?

Sir Bernard Jenkin: I give way to my Committee colleague.

Ronnie Cowan: Given what the hon. Gentleman has just said, was he surprised as I was that, despite three profit warnings, despite hedge funds betting against its success and despite spiralling pension debt, the Government still handed out contracts to Carillion, including one to the tune of £1.4 billion for HS2?

Sir Bernard Jenkin: By that stage, the Government were in a Catch-22 situation. If they denied Carillion access to any public contracts, it would have been a further signal to the market that this company was going down and it would have put at risk all the other public sector contracts it held. Also, in that case, the risk was shared by two partner companies, which signed in blood that they would take over any risk of each or any of the companies going bust. The Government have not suffered any loss as a result of that contract.

Ronnie Cowan: What the hon. Gentleman is saying is typical of the attitude that Carillion was too big to fail—and not just with HS2; there was £158 million for Hestia with the Ministry of Defence and £62 million for electrification of the rail line from London to Corby. While the Government continued to give Carillion all those contracts, its suppliers must have been thinking, “Well, my money is safe here, too. If the Government believe in these big companies, I’m okay.” There is a knock-on effect, a domino effect, right the way through the process, and ultimately smaller companies suffered and failed.

Sir Bernard Jenkin: I totally agree with the concept that these contracts become too big to fail, and therefore, as I will explain, it becomes an illusion that the Government have transferred risk to these companies. These companies are a private sector extension of the public sector, and the public sector still carries the risk.

Stephen Kerr (Stirling) (Con): My hon. Friend spoke earlier of contracts basically being awarded on price, rather than on any kind of value. Does he agree with the CBI's response to the Carillion report that suppliers to the public sector need to “bid responsibly” for contracts and need to be “prepared to challenge” bad deals and to “walk away” from opportunities that will not yield long-term value? The reality is we have a group of companies in this country that seem to be addicted to bidding on price, and this becomes a self-fulfilling prophecy, à la Carillion.

Sir Bernard Jenkin: I agree, but unfortunately I think that the Government have fed that addiction. The pressures of austerity and the hunt for savings have encouraged the Government to try to get prices down and to be blind to the risks they are transferring to the private sector, resulting in the sickness of the sector. As I will explain, there is a misappreciation of the risks that private shareholders are prepared to bear, compared with the risks that we should be taking with public services and public money.

[Sir Bernard Jenkin]

As I have said, the Government sometimes write into contracts that companies must accept the risk that the Government have got their own data wrong. An analysis disclosed by Serco found that this practice had taken place in 12 of the company's recent procurements. That is in part driven by the decision to use contractual models such as payment by results that involve risk transfer on a huge scale. If the Government cannot assess the services they are trying to outsource, they simply cannot make an accurate calculation of a fair cost for the outsourcers, yet they tend to pretend to do so. In those circumstances, passing the risk on to contractors is unacceptable and, as we have seen, proves counterproductive, particularly if the Government are unable or unwilling to make a serious assessment of what is at risk when a company delivers public services.

PACAC found that the relentless drive to bring down costs has been among the most damaging factors. We received evidence from organisations and businesses in the sector that the Government have been "driven by price exclusively", leading to a reduction in fees paid by up to 25% to 30%. Some people put it more bluntly. Rupert Soames, the chief executive officer of Serco, told us that

"in the four and half years that I have been running Serco I know one occasion"

when Serco had won a contract despite not being the lowest bidder. A survey conducted by the CBI revealed that 98% of businesses responding said that something other than "service quality" was the main reason why Government contracts are awarded. There are obvious problems with an undue reliance on price in the contracting process; industry leaders were concerned that "fudges" would

"allow technically poor but cheap bidders to continue... simply because the customer is desperate for the saving."

Such bidders would then seek to renegotiate the price afterwards.

There are examples of all this going badly wrong. The Government, who are frequently the dominant purchaser in these markets, have great power to dictate prices to contractors. Professor Gary Sturgess, of the Australia and New Zealand School of Government—and why did we abolish our National School of Government and so have no equivalent institution?—told PACAC that companies were

"stupid to have gone ahead and entered into contracts... but this is a Government supply chain."

Representatives from the National Council for Voluntary Organisations said that, on average,

"large charities lose 11% on each contract they have with the government."

There is something rather unpleasant about Government milking charities to subsidise public services, but that is, in effect, what is happening.

Instead of recognising that the focus on cost damages the ability of companies to meet the terms of their contracts and discourages innovation, the Government have taken a different approach. In some instances, they forgo performance penalties available to them, in essence declining to enforce the parts of the outsourcing contract that are designed to maintain the high standards of the service being provided, at the agreed price. In others, the Government have renegotiated the terms of some contracts. We received evidence from the Cabinet Office

that just since 2016 the Government have renegotiated at least £120 million-worth of contracts in that way, including the Ministry of Justice's flagship "Transforming Rehabilitation" scheme. The cost to the Government of the work necessary for the renegotiation itself is yet unknown.

PACAC found that the Government do not have a strong evidence base about when and whether to use the private sector, or whether such use will be more successful than using the public sector. This is what we call the decision to make or buy. The Treasury Green Book sets out a process that should be gone through when deciding whether to make or buy a service—whether to do it in house or put it out to contract—but we found no evidence that that was well understood or indeed followed. There is also a lack of a central database for outsourcing contracts, meaning that systematic analysis of outsourcing throughout the whole of Government is difficult at best, if not impossible. Nowhere is there an understanding of how much public service risk is being carried by each company, across all of its contracts and across all Departments. Without that kind of understanding, the Government are unable to prove the basic premise behind all forms of Government outsourcing: that the private sector is capable of providing a better service for better value. The basis for the claims made by the Minister who wrote the article in *The Times* earlier this week is data that is now some 20 years out of date. All this data should be published, as public confidence will not be strengthened without far more openness and transparency about how public contracts are let and managed. Nowhere is that more apparent than with private finance initiatives.

The ostensible purpose of PFIs was to take advantage of the expertise of the private sector in providing privately-financed infrastructure projects and buildings. However, despite having more than 20 years to research and form an evidence base, the Government were unable to justify their claims about the efficacy of PFI. In fact, in their testimony to PACAC, the Government claimed that PFI brought "discipline and rigour" to projects. But, while giving evidence, the chief executive of the civil service revealed that the real purpose is to make the public balance sheet look better. That motive can also be seen in the refinancing provisions for PFI, which allow the balance sheet to look better at the expense of the public finances.

It gets even worse than that. With private finance 2, it was decided that the proceeds of refinancing PFIs should be split between the contractors and the Government. After a school has been built and it is in the process of being managed, a lot of the risk has been carried, so the scheme can be refinanced at a lower rate of interest. It was decided that the benefits of that lower interest rate should be split 50:50 between the Government and the private sector. That was not the case with the original PFI scheme. It subsequently became apparent that, under the rather arcane public accounting rules, if such a change is made, the whole of the debt becomes public sector debt and is shown in the public sector borrowing requirement, so the Government said, "Oh, well, we'll split it 70:30". Therefore the Government now collect only 30% of the proceeds from refinancing a PFI contract. That is daft. It is the Government giving away public money just to satisfy silly public accounting rules. It should stop.

There are also issues concerning churn among civil service staff that make the management of public contracts difficult. Reports have highlighted the “insufficient continuity of staff” over the lifetime of a contract. On this front, the situation has been improving, but there is a great deal to do.

PACAC remains concerned that the Government are still taking a much too transactional approach to contracting and the management of contracts. It is vital not only that staff with commercial skills work alongside those within Government with other skills such as costing, IT and project management, but that those in the Government who manage the contract feel that those in the private sector are partners and collaborators. There should be trust and co-operation; it should not be an adversarial competition. When the Government make the decision to outsource a service, and when they accept bids from companies seeking to win the contracts for those services, it is crucial that the process of doing so is evidence-based and transparent.

It was to ensure that there was public trust in outsourcing, and in the Government’s capacity to do so, that Carillion was awarded contracts after it published a profit warning and after it had made other worrying sounds to the Government. That a company in the process of going bust should be awarded yet more contracts, giving it access to yet more taxpayer money, does raise the questions brought up by the hon. Member for Inverclyde (Ronnie Cowan) earlier. PACAC calls for the Government to re-examine how they assess contractors’ viability. Shareholders are prepared to take a far higher risk than the risk the Government should be prepared to take with public services and public money. The Government should publish their rationale for their decisions. Public service procurement cannot be done in the dark, cannot be done without evidence and cannot be done without the Government knowing what they are trying to outsource. It cannot be done on the cheap, and the public must be able to see that.

In conclusion, unless the right steps are taken and the right lessons are learned, a company very similar to Carillion, holding contracts of enormous public worth, could collapse again and all this will happen again. The public want companies that deliver public services better to reflect public-service values. Such companies are part of the public service, and if they do not demonstrate those values, they should not get the money.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Eleanor Laing): Order. We will now have a time limit of five minutes.

4.23 pm

Mr Pat McFadden (Wolverhampton South East) (Lab): I shall endeavour to be brief, Madam Deputy Speaker, as many of the points about the collapse of Carillion have already been made by my hon. Friend the Member for Leeds West (Rachel Reeves) and the hon. Member for Harwich and North Essex (Sir Bernard Jenkin).

Carillion’s headquarters was in Wolverhampton. Of its 18,000 or so UK employees, some 450 were employed in the headquarters, so the city that I represent has a particular interest in the story of the company’s collapse. Six months after the collapse, there are still major questions about corporate governance, audit, ongoing costs, and, perhaps most fundamentally, the policy

implications raised by the collapse. I thank both the Work and Pensions Committee and the Business, Energy and Industrial Strategy Committee for their joint report, which paints a very stark picture, describing a story of “recklessness, hubris and greed”. On the accounts of the company, it describes them as having “misrepresented the reality of the business.”

The report sets out how the company collapsed, how the internal checks and balances failed and it makes damning indictments of the company’s leadership and the system of auditing, culminating in the recommendation that the whole audit system be referred to the Competition and Markets Authority.

Others will focus on particular parts of this story, but the part on which I wish to focus is the role of Government and the decisions before Government when a company of this nature is in danger of collapse. I have written to the Minister before about these questions. Carillion is a specific type of company. It was a private company, but it was engaged for much of its activity in the delivery of public services. Therefore, the responsibilities cross both the public and the private sectors. The National Audit Office report on this issue, published last month, says that the company, in its dying days, asked for a loan of £160 million from Government and a deferment in tax payments of £63 million. That is a difficult decision for Government. What do Ministers or officials do when a company comes and asks for such substantial funds? In those circumstances, Ministers and the government machine have to make an assessment between loaning that kind of money and letting the company go under.

Dan Carden (Liverpool, Walton) (Lab): My right hon. Friend will know that the National Audit Office report has outlined that, in 2017, Carillion projected a loss of £83 million on the Royal Liverpool University Hospital. Does he know where that projected loss now sits?

Mr McFadden: That is a very good question and is exactly the kind of thing that Ministers had to look at when considering this request. In letting the company go under, the Cabinet Office realised that the taxpayer was still on the hook, because at the moment that it decided to say no to the company’s request for the loan, it gave the official receiver £150 million of taxpayers’ money to process the liquidation. Therefore, the taxpayer being on the hook does not stop when the decision is made to allow the company to go under. The taxpayer has been on the hook for the six months of this story, and it does not stop with the money for the official receiver. Public sector bodies are facing a 20% premium for some of the post-liquidation service delivery costs. As my hon. Friend just said, there are three major projects that lie unfinished. There is the Midland Metropolitan Hospital, the Royal Liverpool University Hospital, which he raised earlier this week in Parliament, and the Aberdeen bypass.

One question that I hope the Minister addresses is the one raised by my hon. Friend a moment ago. What will it cost to finish these projects and where will the money come from? The National Audit Office says that these projects face losses respectively of £91 million for the Aberdeen bypass, £83 million for the Royal Liverpool University Hospital, and £48 million for the Midland Metropolitan Hospital. In his winding up, will the Minister confirm how these projects will be finished

[Mr McFadden]

and how they will be paid for? It was a public policy decision to build a new hospital in Liverpool; it was a public policy decision to build a new hospital in Sandwell; and it was a public policy decision to build a new road in Aberdeen, so whoever is carrying out the project, the public policy responsibility, in the end, still lies with Government. Can the Minister confirm that at the moment of collapse, the Government thought that the cost might not be the £150 million that they set aside, but more than £300 million, as paragraph 13 of the National Audit Office summary suggests?

This not just a story of corporate mismanagement; it raises major public policy questions. What does the Minister think are the lessons for Government decision making about: how procurement happens; whether a contract is to be tendered and how that tendering process is managed; and how they balance the risk of rescue and the cost to the taxpayer when a company engaged in the delivery of public services is in danger of collapse? Those are the fundamental public policy questions raised by this story.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Eleanor Laing): Order. Clearly the House wants the Minister to have time to respond to the matters that have been raised in the debate. Therefore, there will now be a time limit of three minutes.

4.30 pm

Kelvin Hopkins (Luton North) (Ind): I cannot possibly deliver my speech in three minutes, but I will do my best.

I am pleased to be able to speak in this significant debate on an issue that marks a turning point in Britain's politics and economics. The collapse of Carillion should see the end of a huge policy mistake—the dogma-driven tragedy of the privatising, outsourcing and marketising of our public services. It is now time to accept that mistake, and to begin the process of rebuilding the public utilities and public services established in the early post-war decades that underpinned the enormous social advances achieved in those times.

The neoliberal economic model has brought political and economic instability, slower and erratic growth rates, and greater inequality—a world where the mega-wealthy and unconstrained private banking and corporate power have prospered at the expense of the rest of us. The death knell for neoliberalism was sounded by the 2008 crisis, when a catastrophic financial collapse was prevented only by spending billions of taxpayers' cash to prop up the corrupt and out-of-control banking system. But the Frankenstein's monster did not quite die then, and has limped along for another decade despite financial scandals and failures, with the public purse being ripped off time and again. The collapse of Carillion is one more nail in the coffin of the monster, but it is still not dead. It is time to ensure that it finally dies, and soon.

I am a member of the Select Committee on Public Administration and Constitutional Affairs, which is an excellent Committee with a first-class Chair and brilliant staff. As we have heard, the Committee has just produced its own report, which is very well written and contains

much good material, but I was unable to support it because it did not draw the obvious conclusion that the drive to outsource and privatise—to hand vast sums of public money to grasping private companies through PFI schemes and outsourcing—has been an enormous and costly mistake, driven by ideology and not the public interest. We should have said in the report that PFI should be abandoned forthwith, and that the process of insourcing should be supported and accelerated.

The report says:

“PFI financing costs more than government financing because the state can borrow at a cheaper rate than the private sector. While we are confident that PFI costs more than conventional procurement, neither...the National Audit Office nor the Public Accounts Committee can find any evidence of the benefits the Government claims”.

This is pretty damning, but the report stops short of saying that PFI should be stopped now and for good and confined to the dustbin of history.

We have been here before—long before Carillion—with the collapse of Jarvis 14 years ago. At that time, I put a question to the then Prime Minister in the following terms:

“My right hon. Friend will be aware that the private finance initiative contractor, Jarvis, has been teetering on the brink of bankruptcy for weeks now. This is putting at risk a large number of school repair schemes and other public sector works. Would he not think it sensible, given that Jarvis's share price has now collapsed to junk levels, to buy out all those public sector schemes, get them done in the public sector, and save billions of pounds of public money?”—[*Official Report*, 14 July 2004; Vol. 423, c. 1408.]

As hon. Members may have guessed, I received no sensible answer. Now, 14 years on, we have Carillion, and the present Government are still persisting with the failed models of privatisation, including the appalling PFI.

Some public authorities are beginning to insource, with significant financial and service benefits, but the drive to privatise continues, especially in the national health service. The failures of the model are legion, from prisons to probation, and from long-term care to smaller issues such as building control. But perhaps the greatest—

Madam Deputy Speaker (Dame Eleanor Laing): Order.

4.33 pm

Dan Carden (Liverpool, Walton) (Lab): I want to take this opportunity to draw attention to the Royal Liverpool Hospital in the centre of Liverpool, which, given the all the important issues that have been raised in this debate, stands as a monument to the corporate greed that led to the collapse of Carillion. It is a tragic sight and eventuality for the people of Liverpool, who are now kept completely in the dark about what will happen in the future.

The £335 million hospital is 90% complete, but as the NHS searches for a new contractor to take over, we have no timescale for the completion of the site. Building work has stopped altogether, state-of-the-art medical equipment goes to waste in empty wards, and there are questions over whether the building is structurally sound. In recent evidence to a parliamentary joint inquiry, it emerged that there were serious structural issues. Two cracks were discovered in concrete beams at the hospital,

and following a review by Carillion, further cracks were discovered in six other beams. Now the private company Arup has been hired to conduct a structural review.

I say to Ministers that we must have transparency about what happens now, in the aftermath of the collapse of Carillion, to such capital projects. It is not good enough to have private meetings from which the public are simply excluded. Yesterday, the Minister told me that public ownership would mean that the taxpayer would shoulder the risk, but surely that is nonsense when we know that the risk is always shouldered by the taxpayer in these cases anyway.

The collapse of Carillion is a watershed moment. In order to truly learn the lessons, we must recognise that it is not good enough to tinker around the edges of a broken system: the task is to replace it altogether. I am delighted that my right hon. Friend the shadow Chancellor has said that the Royal Liverpool Hospital is

“just another scandalous example of the Government wasting money on failing PFI schemes...The Government should take responsibility and commit to delivering the Royal Liverpool in the public sector.”

Let me finish by pushing the Minister and the Government to show some urgency. Will he tell us publicly what meetings he is holding? Is he meeting the hospital company that is delivering this project? Are Ministers meeting the investors, Legal & General and the European Investment Bank? What do Ministers know about the structural state of the building overall? Are the Government seeking legal advice? For the people of Liverpool, the question is, “Will this hospital ever open?”, and I think they need an answer.

4.36 pm

Alex Sobel (Leeds North West) (Lab/Co-op): I should start by putting on the record a mistake that I made in my speech in the previous debate, when I said that it was my 100th contribution to the House. It was actually my 99th contribution, so this is my 100th contribution to the House. I made a slight miscalculation.

As my hon. Friend and neighbour the Member for Leeds West (Rachel Reeves) said, the collapse of Carillion happened six months ago. I was here in the House on that day, six months on from my maiden speech. It is quite apt that a year on, we are back here to review the collapse of Carillion.

Let us make no mistake: the collapse of Carillion as a company was a complete disaster, putting at risk 420 public sector contracts, more than 1,400 jobs and tens of thousands of subcontractor jobs. It had contracts with Network Rail, the Ministry of Defence, the Ministry of Justice, HS2 and more. The Local Government Association counted 30 councils as being directly affected, and 220 schools. The ripple effects could be seen in every town, city and county in this country, and in such diverse areas as construction, maintenance, the armed forces and the NHS.

How can we restore public values in public procurement? We must use public money not only wisely but strategically, in the interest of communities and regions. UK plc commissions over £250 billion of goods and services, and we can use that to get the best deal for the country. There are lessons and recommendations for the future from the collapse. We should insist on in-house options being considered alongside outsourcing and commissioning, particularly within local government. When a service

cannot feasibly be provided in-house, we should look at working together with local authorities. In Leeds, we set up Civic Enterprise Leeds, which uses municipal staff in areas like catering, cleaning and plant nurseries. We can use our £250 billion of buying power to ensure that every worker who is employed with a company using a Government contract receives the real living wage—as independently calculated by the Living Wage Foundation, not the supposed living wage brought forward by the Government.

Speaking as chair of the all-party parliamentary group on social enterprise, I know that there is some unfinished business on the Public Sector (Social Value) Act 2012. That is an Act without teeth. It asks for public bodies only to consider social value in commissioning. Instead, it should compel social value in commissioning. If we had that compulsion, then perhaps instances of commissioning risky businesses such as Carillion would never have happened. We can also look at how we score contracts and measure their social value so that we have the same standards across the piece. We cannot allow the risky behaviour that led to the collapse of Carillion to happen again.

4.39 pm

Chris Stephens (Glasgow South West) (SNP): First, I thank the hon. Member for Leeds West (Rachel Reeves) for securing this debate. It was a pleasure to be on the joint inquiry, chaired by the hon. Lady and the right hon. Member for Birkenhead (Frank Field). All I can say, having sat on that inquiry, is that the evidence revealed at every session was a real eye-opener. The report stands as one of the most damning indictments of the total failure of a political ideology that assumes that privatisation and outsourcing are always value for money and better than the public sector. The report does not, to use that Glaswegian phrase, miss and hit the wall. If there is one sentence that sums up the entire fiasco, it is this:

“Carillion’s business model was an unsustainable dash for cash. The mystery is not that it collapsed, but how it kept going for so long.”

I have often wondered what quality in someone’s character enables them to collect the eye-watering salaries and bonuses that typify the worst excesses of the corporate world. I can only come to the conclusion that the answer is shamelessness, because it certainly was not competence or caution with public money. However, as the evidence sessions went on, I was clear that it was not just an organisational failure in one company, but a systematic multi-organisational failure.

The key themes revealed were corporate greed, lack of regulation, the big four auditing companies creaming money from struggling companies and pensions scheme stability sacrificed for dividends to shareholders. It was quite astonishing evidence. I asked Carillion’s chief executive, Keith Cochrane, whether dividends to shareholders were a higher priority than employees in the pension scheme. His answer was that he would not look at it that way. The hon. Member for Leeds West went on to say that if parents had two children and the younger child was getting paid less pocket money than the eldest child, and the youngest child said to the mother, “I think I’m a lower priority,” the mother would not necessarily reply, “That is not the way to look at it, dear.” That was some of the astonishing evidence we got from the company.

[Chris Stephens]

It was quite clear that the company was ready to dump the pension fund into the Pension Protection Fund; it was very clear on that. Its business model relied on even more acquisitions, rising debt, expansion into new markets and exploitation of suppliers, with a side order of creative accounting and an out-of-control bonus culture. The company was gambling with public assets and finances, always seeking to eliminate any competitors, squeezing subcontractors and suppliers through delayed payments as a matter of course and ignoring its pensions liabilities. Those tactics are straight out of the Robert Maxwell school of risky business. The only element of risk that was carefully managed was ensuring that bonuses could not be recovered in the event of problems arising with the company. Boardroom lifebelts were well and truly secured on this corporate version of the Titanic, with the auditors signing off on their assurances as the SS Carillion steered full speed ahead to the icebergs.

The practice of illustrious advisory firms telling clients exactly what they want to hear in order to secure future business was a feature of the 2008 crash and has continued despite everything. As the report states:

“Advisory firms are not incentivised to act as a check on recklessly run businesses. A long and lucrative relationship is not secured by unduly rocking the boat.”

The culture of corporate back-scratching and covering for one another has flourished in the absence of any firm regulatory regime. The frustration for those of us with a public sector background is seeing the chickens come home to roost when all along trade unions have been making the case against privatisation, based on well-founded fears of what happens when profit becomes a central feature of public sector delivery. What price public services when those in charge of delivering them operate in an environment of chaos, with contempt for the concept and ethos of public service delivery? The key question is this: how many more wake-up calls do there have to be before people intervene?

4.44 pm

Bill Esterson (Sefton Central) (Lab): I congratulate the three Select Committees on the fine work they have carried out in investigating and coming up with conclusions on the Carillion fiasco. I thank my hon. and right hon. Friends—my hon. Friend the Member for Leeds West (Rachel Reeves), who introduced the debate so expertly, my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) and my hon. Friends the Members for Luton North (Kelvin Hopkins) and for Liverpool, Walton (Dan Carden)—for their excellent speeches.

The collapse of Carillion was indeed a fiasco—a fiasco for the 30,000 employees and the 20,000 subcontractors; for the 27,000 members of its defined pension schemes, who will now have to rely on the Pension Protection Fund for a reduced pension; for the 30,000 suppliers who are owed £2 billion in unpaid invoices; for the children who depended on school meals; for our armed forces personnel whose housing was mismanaged; and for the taxpayer who is picking up the tab for the colossal failure of the Government to safeguard large sums of public money and the delivery of outsourced services and construction contracts.

In Liverpool, the obvious example of the fiasco, as my hon. Friend, and constituency neighbour, the Member for Liverpool, Walton said, is the failure to complete

the Royal Liverpool Hospital. Construction came to a grinding halt when Carillion collapsed. It is completely unacceptable that the Government have not taken over the contracts to make sure that, in the interests of patients, the Royal is finished. As my right hon. Friend the Member for Wolverhampton South East said, the same applies to the hospital in Birmingham and the road in Aberdeen. Those are all examples of the fundamental flaws and costs of PFI and, too often, the way in which public contracts are delivered in the private sector.

Last August, Carillion extended payment terms to an outrageous 120 days and charged suppliers a fee for early payment. Such behaviour is indefensible, yet Carillion was a signatory of the prompt payment code. Will the Minister tell us why the Government were not policing their own payment terms and their own code? That prompts the question whether such payment terms are being enforced now. Why were new contracts worth £2 billion awarded after the change of payment terms, after the profit warnings and after the changes in senior management? Why did Government officials accept assurances from Carillion management about the viability of the company, even as it headed towards the cliff edge, and why did Ministers not challenge their own officials? Will the Government support the proposal of the Institute of Directors for a body to be created to police the directors of major companies?

The company continued to pay out executive bonuses and dividends, while reforming its pay policy to protect management from the possibility of having to repay their bonuses. The arrogance and corporate greed that have been described at Carillion simply will not be tolerated any more either by industry or by the wider public. The CBI wants performance in the payment of suppliers to be a consideration in tendering for public contracts. It is also calling for the publication of payment data. Labour Members agree with it and we will be including payment of suppliers as an essential criterion in our procurement policy in government. The next Labour Government will take the action needed to stop the late payment culture that cost our economy £2.5 billion last year and forced 50,000 small businesses to close. This Government have failed to do so. We will guard against insolvency by mandating the use of project bank accounts and retention deposit schemes in public construction contracts.

The chair of KPMG accepts the need for reform, but it is frustrating to learn that he “respectfully disagrees” with Select Committee members who described the firm’s audit of Carillion as complacent. I am afraid that his comments reinforce that very sense of complacency and it is fair to say that many people will respectfully disagree with him. The time has come for an overhaul of our audit system and of the cosy relationships that have come to characterise the way in which the big four accountancy firms operate, so will the Minister tell us whether the Government support the calls for a break-up of the big four accountancy practices? Whether it is the Public Administration and Constitutional Affairs Committee saying that they do not follow Treasury process, the abandoned construction site at the Royal Liverpool Hospital, the failure to enforce their own much trumpeted prompt payment code, or ignoring publicly available information about profit warnings, changes of senior management and excessive bonus payments, this Government have been found wanting, all at the cost of public services and the public finances.

The Government have appointed a senior partner at Slaughter and May as an adviser, despite the £8 million in fees paid to the firm by Carillion, which included £1 million on the day before it collapsed. I had hoped that the Government would have learned from the Carillion fiasco, but the Slaughter and May appointment suggests that they have learned nothing. The mismanagement of Carillion's contracts was a massive failure by the Government, and the worst of rent seeking and wealth extraction by the few at the expense of the many. However, that culture is coming to an end. The public are appalled by the excesses of Carillion, and the consequences of that for suppliers, workers and public services, and so, too, are the vast majority of decent, hard-working, responsible business people.

The next Labour Government will be a strong partner for businesses that want to put the public good first—businesses that want to work with trade unions, recognise that decent pay and conditions are good for business as well as for workers, and want to treat suppliers fairly and pay them well and promptly. Labour will be the party of responsible business and responsible contracting—the party of business for the many, not the few.

4.51 pm

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Andrew Griffiths): I congratulate the hon. Member for Leeds West (Rachel Reeves) not just on securing this debate, but on her brilliant work in leading the Business, Energy and Industrial Strategy Committee. It has done exactly what a Select Committee should do, which is hold business to account, question the Government, find answers, and bring transparency and openness to this issue. I commend her work and that of the Chair of the Work and Pensions Committee for their joint efforts. They have produced a good document, and we will respond to it shortly. I also congratulate the Chair of the Public Administration and Constitutional Affairs Committee on that Committee's diligent work in examining this issue in great detail, and on providing a huge amount of important information. The Government are considering the Committee's detailed report, and we will respond to it in the near future.

None of us underestimates the huge impact of the collapse of Carillion. It was a huge shock, not just for the 18,000 people who worked for it, but for all the innocent contractors and small businesses that supplied it. The Government tried to respond to that collapse because the insolvency of Carillion had an impact on the lives of too many people. Our job was to put in place a response that was as swift, co-ordinated and comprehensive as possible, to ensure not just that we maintained the vital public services that Carillion was delivering to hospitals, schools, prisons and the Ministry of Defence up and down the country, but that we did all we could to protect those innocent contractors who were caught up in the Carillion collapse.

I believe we have been successful in mitigating the very serious impacts of the liquidation, and 12,345 jobs have been safeguarded so far—some 68% of the pre-liquidation workforce—compared with 2,404 redundancies. I recognise that 2,404 redundancies is a very serious matter for all those concerned but there can be no doubt that it is an unprecedented result for such a small number of people to have been made redundant, in comparison with the size of that business. That is

testament to the efforts not just of Government, but of industry more widely, which ensured a speedy and positive response.

A total of 876 apprenticeships have been transferred to new employers so that those young people can continue to embark on their careers. At the request of the Secretary of State for Business, Energy and Industrial Strategy, the banks put together nearly £1 billion of support for those affected, including £100 million of enterprise finance guarantee from the taxpayer-owned British Business Bank.

However, it is also important that we learn the lessons of Carillion's insolvency and ensure that we do everything in our power to avoid such an event happening again. The Government have taken steps to ensure that the causes of the insolvency will be fully investigated, and of course we are taking into account all the work that has been done by the Select Committees. I remind hon. Members that the investigations that have already commenced include those by the official receiver, the Financial Reporting Council, as requested by the Secretary of State for Business, Energy and Industrial Strategy, and the Financial Conduct Authority.

The official receiver has powers to obtain information and, if misconduct is proven, can recover assets, pursue disqualification proceedings or refer the case for prosecution if criminality is discovered. The Financial Reporting Council has also commenced an investigation into the actions of two finance directors of Carillion and the conduct of KPMG as Carillion's auditors. We are determined to get to the bottom of this. The Secretary of State has also recruited the eminent Sir John Kingman to undertake a thorough review of the FRC to ensure that it is doing exactly what it should be in order to be a robust and effective regulator. We are giving Sir John all the support he needs to conduct that thorough investigation. The Financial Conduct Authority is investigating whether Carillion manipulated financial statements prior to July 2017 and it is also considering allegations of insider trading.

I reassure the House that the Government are committed to ensuring that the insolvency is thoroughly investigated. Tens of thousands of documents are being considered and we will ensure that we get to the truth. The Government are also committed to ensuring that we learn the lessons. First, we are tackling the problem of late payments. It is clear that payment terms beyond 60 days are unacceptable in the vast majority of cases. Last year, we introduced the payment reporting regulations, which require the UK's largest firms to report on their payment policies and payment performance every six months. The hon. Member for Sefton Central (Bill Esterson) said that, under a future Labour Government, everyone would be paid on time—my concern is that nobody would be paid if there were a Labour Government.

We want to provide transparency in payment practices, ensuring that small and medium-sized enterprises have more information about large firms that they are considering doing business with. My hon. Friend the Minister for Implementation has overseen a consultation on how we can take the payment performance of Government suppliers into account when awarding major contracts, which is one of the things the hon. Member for Leeds West was concerned about. We have issued a call for evidence on how we can end the scourge of late payments.

[Andrew Griffiths]

Secondly, in relation to how the Government manage their key suppliers, my right hon. Friend the Chancellor of the Duchy of Lancaster set out in his speech on 25 June how we would do that, including introducing effective contingency plans; introducing a playbook of guidelines, rules and principles; and requiring suppliers to publish key performance indicators on our more important contractors.

Thirdly, in relation to corporate governance, my Department is implementing new regulations relating to executive pay—that was mentioned in the debate—and bringing in extra transparency and accountability in the way executive pay at listed companies is handled. We are consulting on reform of the insolvency and corporate governance regime, including on important areas such as the framework within which companies determine dividend payments and strengthening shareholder stewardship.

The hon. Member for Leeds West raised the issue of what she called the Government's prompt payment code. I just remind her that that code is a voluntary, industry-led code of practice that enables businesses to demonstrate to suppliers that they are committed to prompt payment. Of course it needs reform and improvement, but it is industry-led.

I can assure the House that the Government are determined to learn the lessons of the insolvency of Carillion and put in place a regime that protects shareholders, workers and all those businesses connected in the supply chain.

4.59 pm

Rachel Reeves: It has been a real privilege to have this debate in the Chamber today, and I welcome the contributions from all hon. Members, including the Front-Bench spokespeople and the Minister. As Chair of the Business, Energy and Industrial Strategy Committee, I get to see the best of British business, but sadly also the worst, and Carillion was the very worst of business. We now need to learn the lessons, because we saw the impact on small businesses, pensioners, workers and investors. I urge the Government, when they respond to

the Committee's report—the response is due on Monday 16 July—to respond in detail to the points on corporate governance, regulation, audit market reform and outsourcing. We need those changes, and we need them urgently, if we are to ensure that we learn the lessons of the collapse of Carillion, get justice for those affected and ensure that we see more of the best of British business and less of the worst.

Question put and agreed to.

Resolved,

That this House has considered lessons from the collapse of Carillion.

PETITION

Home Education: draft guidance and consultation

5 pm

Mike Gapes (Ilford South) (Lab/Co-op): I rise to present a petition by 88 constituents from Ilford South, the lead signatory being Ms Sansel Smith. Similar petitions were presented by the hon. Member for Henley (John Howell) on 4 July, but I was unable to get this petition to him at that time, so I am presenting it today.

The petition reads:

The petition of residents of Ilford South 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.

[P002196]

Rail Passenger Comfort

Motion made, and Question proposed, That this House do now adjourn.—(Jo Churchill.)

5.3 pm

Iain Stewart (Milton Keynes South) (Con): As ever, it is a pleasure to speak under your chairmanship, Madam Deputy Speaker. I am very grateful for this opportunity to speak about what I fully accept is not the most pressing issue on the railways today, and I make it clear at the outset that I know that many passengers on lines affected by the chaos from the new timetables on Northern and Govia Thameslink Railway would welcome any train, not just one that is comfortable.

The Transport Committee, on which I serve, is currently examining those matters, so in no way do I wish to diminish the importance and urgency of those issues, which I hope will be short term and resolved relatively soon. However, I wish to speak on a more longer-term, strategic issue for the railways: ensuring that passengers have a decent level of comfort while travelling by train. The problem is not a lack of investment in our railways—quite the reverse. Most franchises in the country have either had or are in line to have wonderful new trains that are technologically superior and will offer faster journey times, lower emissions and generally much better performance.

Train company order books are healthy, which is much to be welcomed, but there has been considerable criticism from passengers on the most recently introduced trains that the seats are—not to put too fine a point on it—extremely uncomfortable. The passengers have often paid large sums to travel on those trains. There has been particular criticism of the new Thameslink trains, the class 700s. They have what are described as “ironing board” seats, which are as comfortable as that name suggests; they also have minimal leg room and no tables on which to put a laptop or a cup of coffee.

Another line that has attracted considerable criticism is the Great Western. The intercity express programme trains—the flagship new rolling stock—are wonderfully technically superior, but the seats are not comfortable, and journeys can last for up to five hours for people who are travelling all the way down to Devon or Cornwall. Similarly, Eurostar has refurbished, or bought new trains, which are also wonderful—I travel on them regularly—but the seats are greatly inferior to those on the trains that they replaced.

My personal gripe is this. Is it really beyond our ability to align seats and windows? On too many trains, one ends up sitting next to a window pillar throughout the journey and can therefore see very little out of the window. The rot set in during the late 1970s, when the original generation of rolling stock—particularly the electric trains—was replaced by what are known as the mark 2 electric multiple units. As you will know, Madam Deputy Speaker, I grew up in the greater Glasgow area. We had a wonderful fleet of trains known as the Glasgow Blue Trains, which had wonderfully springy seats and very large windows. One could sit at the front of the train, look forward towards the driver’s cab and see what was coming. Then the trains were refurbished and made dreadfully uncomfortable. All the seats ended up being next to window pillars, and one could see very little. Technology and safety requirements have evolved,

and today seats must conform to fire and crash safety regulations. In no way do I wish to diminish the importance of that.

Jack Lopresti (Filton and Bradley Stoke) (Con): I congratulate my hon. Friend on securing the debate. I am massively impressed by his technical knowledge of rolling stock and comfortable seats. Passenger comfort and safety are obviously important, but so are the comfort and safety of the people who operate and work on trains. On the Severn Beach line, a local service in my constituency, it is virtually impossible for conductors and other staff to move along the trains at peak times. Not only does that have significant implications for their own comfort and health and safety, but they cannot always collect tickets and then report accurately on how many people are using the service, which could affect its long-term viability.

Iain Stewart: I should declare that I am a railway buff and therefore have an unhealthy level of detailed knowledge about these matters. My hon. Friend has made a good point. There is a trade-off to be made between having comfortable seats and having enough seats. I shall return to that in a moment, but he is right to say that the comfort and safety of those who work on our railways are as important as the comfort and safety of passengers, and if he will bear with me, I shall touch on that as well in a little while.

As I have said, I do not want to see any diminution of the existing safety requirements. It has been suggested that that is the reason for the uncomfortable seats, but I think that that is incorrect, because there are plenty of seat designs that would comply with the safety requirements. I have to conclude that, owing to specifications from the Department for Transport and cost issues for the train operating companies, they have gone for the cheaper alternatives. The TOCs have a financial incentive in terms of their balance sheets to have the cheapest fitted-out carriage, but I will come on to argue that that is a false economy if they wish to sustain their business into the long term.

The Department specifies that new trains must have a certain passenger capacity, which is why seats are increasingly jammed together with minimal legroom, and there is always going to be that trade-off between having enough seats on a train and making them comfortable, but my contention is that that balance has been skewed too much in favour of cramming everyone on.

It is also wrong to claim that passengers are just as happy with the new seats on trains as they were with those on the trains they have replaced. That is a false comparison again. On the Great Western, the IEP trains that have been introduced replace the old InterCity 125s but not in their original configuration, which were very comfortable. First Great Western, as it was then, went through a so-called refurbishment programme a number of years ago and made the trains very uncomfortable indeed, with garish lighting and high seats that passengers could see very little around. To compare the new seats with those horrible ones is therefore not much of a comparison.

I accept that there are different requirements for different types of line. Clearly, I am not asking for a luxurious Pullman coach or a restaurant car to be

[Iain Stewart]

added to a high-density metro service, such as the central line up to Epping—although that would be a wonderful innovation and fitting for Madam Deputy Speaker—but it is not practical: high-density metro services have large numbers of people coming on and off at frequent stops. But on intercity services, on regional services and on longer distance commuter ones, perhaps of more than 30 minutes in duration, higher priority should be given to passenger comfort, and it is possible to do so. I recently visited Sweden and travelled on its intercity line between Gothenburg and Stockholm. In its standard class, the seat pitch and comfort was comparable to many of the first-class coaches on British lines, so this is perfectly possible.

Why is this important? It comes down to the railways keeping their share of the market on lines that will have a large discretionary element. Some commuter lines are the only viable way to get into, or out of, a major city, but many railways are competing: each TOC is competing with other train operators and with other non-rail modes of transport. It is instructive to look at the example of Virgin Trains East Coast and ask why it got into trouble. It did so not because it was losing money or running a bad service; its problem was that it did not grow its passenger numbers and consequently revenue as much as it planned when it won the franchise. That gap proved too big to be sustainable, and we all know what happened.

Part of the reason why those numbers did not grow as much as possible was that passengers were choosing to drive or take long-distance coaches or fly between many of the long-distance destinations. That is a warning sign for the railways. Passenger numbers are beginning to plateau as work and retail habits change. Increasingly, there is new technology, too: cars are getting better, petrol is comparatively cheaper, and if technology evolves and we get more semi or fully autonomous cars, that will be a major source of competition for the railways.

The railways counter that by giving a good customer environment in which to travel, and I think there is a huge untapped market. Travelling by rail is one of life's great joys if we have a good journey—if we have a comfortable seat with legroom and space to relax, to work, to gaze out of the window, chat with friends and enjoy a refreshment. There are many ways of having a pleasurable experience. We have only to look at the popularity of Michael Portillo's "Great British Railway Journeys" to see the appetite of the country for enjoying these experiences.

We also need 21st century facilities on trains. Wi-fi is increasingly a key requirement for travellers, as is a space for them to use their laptop or tablet and the ability to charge them up. We also have to look at the converse cost involved when passengers have a hellish journey and arrive grumpy, sore and stressed. How productive are they at work, compared with when they have had a good journey?

This leads me to the slightly wider consideration of how we calculate the cost-benefit analysis of investment. Yes, it might be cheaper at the moment for train companies to install the cheapest and most basic type of seating configuration, but if that drives passengers away, is it really in the companies' financial interests? There is also a wider economic point for the country. We want to

increase our productivity, and one way to do that is to ensure that passengers arrive at their destination in a good frame of mind and willing to do some work. This was touched on when we were debating High Speed 2. The calculation of the economic benefit was done solely on how quickly people could get from one point to another, rather than looking at the quality of the time they spent on board and how productively they could use it while travelling to their destination. I urge the Government to draw their boundaries more widely in this regard.

I welcome the fact that the Rail Safety and Standards Board has started a consultation into the minimum specifications for seats to ensure that they are safe. Once we have established that baseline, we can look at what the upward options might be. When does the Minister expect the RSSB to report, and will he tell us how he and his colleagues plan to implement its findings? Will he also look again at how the Department for Transport can specify the specifications for rolling stock? There have been instances of the Department specifying the types of seats required and the cost envelopes for them, and this has resulted in very good seats being installed on trains. If he wants the details, I can tell him that it involved the class 175 and the class 180 specifications a few years ago. Will he also consider imposing minimum standards in future franchise consultations?

Travelling is one of life's great joys, and it dismays me that on many modes of transport passenger comfort is being diminished in the calculations. The airlines have been at it for years, with seat pitches getting smaller and smaller, making air travel a real displeasure in many cases. I really hope that the railways can change the recent trend of squeezing more and more people on, with scant regard for their comfort. I want the railways' renaissance to continue in this country, and I believe that changing the specifications for seating arrangements in the carriages would represent a major step towards achieving that.

5.18 pm

The Parliamentary Under-Secretary of State for Transport (Jesse Norman): I congratulate my hon. Friend the Member for Milton Keynes South (Iain Stewart) on securing this timely debate, which covers an important topic. It has already been noted that he is a great expert in this area, and I pay due deference to him not only as a member of the Transport Committee but as a railway nerd of some considerable standing and expertise. We saw his expertise in the debate today in the casual way in which he dropped in the different classes of locomotive and referred to the historical experience and the methods of cost benefit analysis involved in calculating the benefits associated with the journeys that he described.

My hon. Friend will be aware that I am not the Rail Minister, so I should enter a caveat about my own extreme lack of experience and understanding of the issue, but I hope that I will be able to say some things that will give him some comfort and show that the Government are keenly aware of the issue and are addressing it. As he says, this is a long-term issue, and he rightly paints a beguiling picture of the quality of travel in an enhanced Stewart-world, if one may describe it as such. Nothing is more beguiling than the image of you, Madam Deputy Speaker, in a Pullman car—I hope of your own design and specification—being taken to destinations unknown.

To address the questions that have been raised, I will talk a little about the franchising programme and the investments in rolling stock. As the House well knows, passenger numbers have more than doubled since privatisation of the railways 20-odd years ago, and the country's railways need to adapt to cope with that and with future demands, which means investing in upgrades and new services across the country. That investment is never more important or evident than when it goes towards modern, comfortable and reliable trains, which are the key to a better railway for passengers.

Since 1996—my hon. Friend is the only Member who would know this by heart already—train operators have placed orders for more than 13,000 new carriages across the country. Those carriages have delivered significant benefits to passengers. The old slam-door trains across the south are being retired and replaced. We have high-speed trains on the west coast main line and the imminent replacement of the Pacers in the north with brand-new air-conditioned carriages with what we expect to be state-of-the-art passenger facilities, such as wi-fi, real-time passenger information and USB charging sockets.

As my hon. Friend mentioned, passengers are now being carried on the brand-new intercity express trains on the great western route. As my hon. Friend the Member for Filton and Bradley Stoke (Jack Lopresti) touched on, although some concerns have been uttered about some of the seating, the overwhelming impression, teething problems aside, has been positive. There are also important orders for new trains for passengers in East Anglia and the west midlands. We expect the new trains to help transform the railways, and faster, greener, more pleasant vehicles will not only improve the experiences of those who use them, but set up the traditional cascade of newly refurbished stock to other parts of the network.

It is important that operators continue to invest in the benefits of a good passenger experience. The reliable provision of wi-fi on trains is a key priority for passengers, and that has become a requirement on all trains through the franchising process to ensure that customers can get connected. Passengers are also now seeing advanced information systems being rolled out on both new and refurbished trains. Those systems deliver real-time information that helps passengers make informed decisions about their journey.

It is also important to recognise, as my hon. Friend the Member for Milton Keynes South would, that it is essential for a rail service that is doing its job properly to be accessible to all passengers. Some of the new trains being built have been designed with integrated devices that fill the gap between the train and the platform, and refurbished trains are being modified to ensure that they will meet modern accessibility requirements. Accessibility is also being baked into new franchise competitions to drive such improvements.

If run properly, a franchising programme should be one of the key drivers of delivering benefits to passengers, and the Department will continue to consult stakeholders before letting each franchise. Once the franchising process is ongoing, we then look for franchise bidders to propose initiatives to improve the quality of rolling stock. The Department for Transport sets out its aspirations in the "Rolling Stock Perspective" document, which provides a high-level overview of the kinds of benefits that passengers should expect and that train operators should

work towards. Such aspirations are intentionally set up as outputs or results, because we want to leave it to train operators to decide what innovative approaches they may take and what experience they can draw on to help them to meet those goals.

My hon. Friend rightly focused on passenger experience. It is absolutely right that passengers should have high expectations and that the industry should focus on that passenger experience—of getting on the train, moving through it, using it, whether sitting down or standing, and getting off. The Department has worked hard to understand the expectations of not just passengers but all the parties to the different aspects of train usage—focus groups, representatives of passenger groups and manufacturers—in order to meet expectations.

From my own experience, and having met train chief executives, I think it is fair to say that there is a great deal more to be done. My hon. Friend is right to focus on a relative lack of innovation in this area. It will be interesting to see whether more innovation might be possible in future franchising arrangements. We look to train operators to address the challenge he set for the kind of innovation he wishes to see to improve the customer experience. Seat comfort is clearly part of that experience, and he was right to focus on concerns expressed about Thameslink and intercity express trains. He will be interested to understand that a considerable process was undertaken to assess seat comfort on those trains. The Thameslink trains were developed from a specification produced by expert advisers, with significant input from the then operator, and designed by Siemens. That included significant consultation with national and regional passenger groups, which had the opportunity to review the seats and found the comfort levels to be generally satisfactory.

On the intercity express trains currently being introduced on Great Western and shortly on the London and North Eastern Railway, the Department set out in the specification that the seats should be comfortable for two-hour-plus inter-city journeys. Those trains were procured from Hitachi by Agility Trains, which undertook visits with stakeholders to gather feedback on the design and seating comfort. That demonstrates that, as my hon. Friend mentioned, consultation can take place and still not please everyone. That is built into the picture we are describing.

There is no question but that train seating should be comfortable for passengers. As my hon. Friend acknowledged, the design and specification of seats needs to balance the conflicting need for more seats in order to manage escalating passenger demand with the desire to provide sufficient space for each passenger and an ergonomically tested design. He can imagine that, given my height, this is a topic extremely close to my heart, and indeed my lumbar region. Seats must also conform to the relevant European design standards on fire safety and crash-worthiness.

There are no objective standards for seat comfort. As my hon. Friend correctly said, the Rail Safety and Standards Board is now managing a research project that will provide a more informed approach to making seats more comfortable and safe. I will be happy to write to him separately to give him guidance if we get any insight into the timing of the process and when it is expected to be completed. That research is aimed at developing a more sophisticated approach to understanding

[Jesse Norman]

comfort, taking into account the shape of seats, cushioning, material choice, lumbar spine support—I am pleased to say—vibration, legroom, journey length and many other aspects. The goal is to put together a seat comfort specification with a set of minimum requirements that guards against bad outcomes, as it were, but gives plenty of scope for innovation and improvement.

I am grateful for this debate. Despite its recent travails, the rail industry does take its obligations to passengers in its rolling stock very seriously. I welcome the emphasis that my hon. Friend has placed on discretionary journeys and the importance of innovation and customer service in ensuring that those journeys are given the maximum

usage possible. Increasing passenger numbers, coupled with increasing pressures on funds, is creating both challenges and opportunities for innovation and new ideas, but at no time are they more needed than when necessity is the mother of invention. The Department is committed to ensuring that rolling stock meets the needs of passengers now and in the future. As the rail industry evolves, it needs to ensure that passengers and passenger safety and comfort are kept at the heart of everything it does.

Question put and agreed to.

5.29 pm

House adjourned.

Westminster Hall

Thursday 12 July 2018

[MR PETER BONE *in the Chair*]

BACKBENCH BUSINESS

Banking Sector Failures

1.30 pm

Martin Whitfield (East Lothian) (Lab): I beg to move, That this House has considered failures in the banking sector.

It is a privilege to serve under your chairmanship and guidance, Mr Bone, as we find ourselves gathered to discuss the banking situation. I thank the Backbench Business Committee for facilitating this debate and the hon. Member for Stirling (Stephen Kerr), for co-sponsoring it.

On 10 May, I was proud to lead a main Chamber debate, in which I raised the section 166 report and called for full redress for the victims of profound financial misconduct. Today's motion is deliberately phrased more broadly, to enable us to reflect our constituents' many frustrations with the banking industry. I am therefore glad that we have been given a significant amount of time to discuss this issue. There will be a diverse range of submissions from Members who wish to discuss their constituency matters.

The all-party parliamentary group on fair business banking and hon. Members from across the House recognise that work is continuing within the industry, and with UK Finance and the Financial Conduct Authority, to drive higher standards and accountability. Hard lines need to be drawn so that we can not only solve the ongoing disputes, but prevent another conduct crisis in the future. It is our firm and unwavering position that things have not changed sufficiently to prevent the abuses of power we continue to see in the financial services industry and the surrounding supporting professional sectors and service areas of law, valuation, Law of Property Act receivership and insolvency. The APPG will focus on those areas with renewed vigour in the coming months.

Hon. Members and the APPG engage regularly with UK Finance and the FCA, and we see a genuine will to drive higher standards in the industry. We look forward to continuing to work together, and we appreciate the forthright relationship we have developed. UK Finance, in particular, has shown itself to be an industry leader, and we sincerely hope it challenges the industry to be the best it can be.

I want to focus on the banking industry's failure to support small businesses, and on the erosion of trust between such businesses and banks. Small and medium-sized enterprises are pivotal to the UK economy. The Department for Business, Energy and Industrial Strategy highlights that they constitute 99.9% of businesses operating in Britain. They bring in £1.8 trillion in annual turnover and employ just over 60% of people in the private sector. They are the lifeblood of our nation's economy, but worryingly, the critical bond of trust between them and business banking has never been lower.

From payment protection insurance complaints to the HBOS Reading fraud and the toxic culture at the Royal Bank of Scotland's Global Restructuring Group, the industry has systematically failed small business across the UK. I want to discuss the attitude towards small business owners, the devastating impact of past misconduct, and the future.

I have spoken to small business owners, and the foundation of the problem is often simple access to finance—a problem highlighted by bank closures. Beyond the bricks and mortar of local banks lies a bond of trust between the business owner, the financial adviser and the bank manager. Since 2015, we have lost or are due to lose banks in Prestonpans, Tranent, Gullane, North Berwick and Dunbar in East Lothian. The inhabitants of those towns have lost their connection to a local banking service. The issue disproportionately affects Scottish consumers. Between 2015 and the end of this year, 368 branches will have closed in Scotland. For the 20 million people who still rely on face-to-face banking services, that is devastating.

Ferhan Ashiq, a local entrepreneur in East Lothian, has talked about some of the provisions he has had to use since the closure. He described them as painful. He has had to make a transition to alternative banking solutions, and he does not feel that enough resources are available for business owners who still rely on cash-based operations. Like many in East Lothian, he is unimpressed by the replacement bus bank service that rolls into town twice a week. The service is not fully accessible or reliable. Indeed, the very first day it was due to go to Dunbar, it failed to attend because it broke down. That is testimony to the fact that we should perhaps not believe everything we read on the side of a bus.

The effect has been that alternative funding sources have been developed, such as crowdfunding, which my constituent uses; peer-to-peer lending, which is facilitated by the Funding Circle—a firm that has created and sustained 19 jobs in East Lothian in the past 12 months—cyber-currencies; and even local stock exchanges. If we look at the history of banking, although the technology has changed, our main banks—I will not use the phrase “high street banks”, because it is becoming something of a misnomer—have followed the same pattern. They started with peer-to-peer lending and friends chipping in. Just as protection became necessary and our banks became more structured, so the world of alternative funding needs structure to its regulation and an understanding. It is not for the banks to provide that; it is for the Government to regulate so that confidence can continue to grow and develop, and not be challenged in those new alternative sources of funding, as it has been in traditional banking.

I turn to the ongoing conduct issues and our call for a full public inquiry into the treatment of businesses under financial duress. Recently, we have seen leaked reports from RBS and HBOS. There are ongoing issues with how Clydesdale bank and Yorkshire bank aggressively mis-sold interest rate hedging products and fixed-rate loans, which contained astronomical break costs. Those loans caused widespread financial distress. Rather than supporting businesses and putting things right, the banks sold the loans on to a private equity firm, Cerebus, and washed their hands of any responsibility for the damage that was caused. The consequences of those actions are still ongoing for many people. Bankruptcies and evictions from family homes are going on as we speak.

[*Martin Whitfield*]

The Treasury Committee and the FCA have said on many occasions that there is work to be done if businesses are to continue to thrive and move forward. We very much look forward to the publication of the Treasury Committee's SME finance inquiry report. The industry recommendations in the section 166 report into RBS highlighted key issues that the APPG on fair business banking has been raising for years. The report talks about unfair contracts, with contractual terms that are there to confuse customers. The Lending Standards Board has produced principles for lending contracts, and the APPG has set up a contracts working group to ensure that bank contracts match the public promise. We welcome the involvement and participation of financial firms in that.

The section 166 report also talks about the relationship between banks and third-party providers. There are consistent conflicts of interest. For example, insolvency practitioners and surveyors are motivated to work in the interests of the bank, rather than the business. That issue has been raised a number of times in debates, and with the insolvency service, banks and BEIS.

To make it crystal clear, the same mechanisms that were used by HBOS Reading, RBS GRG and Dunbar Bank, to name just a few, have not vanished, but are still being used today. There has not been a substantive change to prevent the systematic asset-stripping that was highlighted in the Turnbull report and the section 166 report on RBS GRG. Indeed, we still see cases on a weekly basis that demonstrate that the systems are still in place.

The right hon. and hon. Members who are members of the APPG are very clear that we need a comprehensive inquiry into turnaround practices, insolvency and financial institutions. The fact that HBOS Reading and RBS GRG were able to go on for so long indicates that there is a systematic failure, and we must learn lessons. The Government produced an excellent consultation on the review of the corporate insolvency framework back in 2016, and we encourage them to continue with that reform of insolvency, which is a key priority.

In the debate on 10 May, I raised the section 166 report, and called for full redress for those who have been victims of profound financial misconduct. I do not want to go over previous ground, but I want to highlight the impact of financial misconduct on working families, businesses and individuals, and the importance of redressing those profound losses.

The release report on the RBS GRG not only underlined the toxic culture that existed but, critically, identified the systemic failures that allowed it to thrive. Banking misconduct is a broad term that will no doubt be discussed by Members today. I want to stress, however, that for business owners across the country who have lost their livelihoods, their homes and their marriages, and more often than not have suffered in their health, this is not past misconduct; this greets them every single day when they wake up and is with them when they go to bed every night to try to sleep. It haunts them. The impact of the scandal has been so profoundly damaging that people have taken the appalling decision to end their life because they cannot face any more.

Bob Stewart (Beckenham) (Con): What really upsets me is that the people who lead those banks seem to have no honour, no decency. Where is the banking code?

Where is the way in which bankers should look after their customers? It does not seem to be present at all. That is heartbreaking.

Martin Whitfield: The hon. Gentleman makes a profound contribution. Our financial system is based on trust; our friendships are based on trust. Trust is how it started, and the present conduct of individuals within banks and the present systemic conduct of banks fracture that trust. That means we have lost something, because once trust is lost it cannot be got back—trust is given by someone but not necessarily offered again. The responsibility of this House and of financial services—this is genuinely the responsibility of everyone—is to ensure that we have answers to those questions so that at last, I hope, some people and some families find some peace and closure about events that have haunted their lives.

If I may, I draw attention to the Centre for Policy Studies' report, "Fair Business Banking for All", which was launched last night with the APPG. I thank the hon. Member for Thirsk and Malton (Kevin Hollinrake) for authoring the report and the APPG for supporting its publication and for an excellent night. Among many things, it recommends the establishment of a financial services tribunal not dissimilar to the employment tribunal system.

I am aware that the report's proposals to enhance the legal rights of SMEs would require primary legislation, but some steps towards it would not. One recommendation is to redefine a "private person" under the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001. A small change, the extension of the definition of a private person to cover SMEs, would allow them to take action where now they cannot do so. An extension to cover insolvent firms, many rendered insolvent by the poor conduct of banks and financial subsidiaries, would give those SMEs—and the people who are the reality behind the company—a right of action when Financial Conduct Authority rules are breached.

The last recommendation of the report is about time limits, when companies have the extra hurdle under the limitation Acts of a six or five-year period, depending on whether they are based in England and Wales, or Scotland. The limitation can frequently be overcome, but it is simply another example of how barriers are placed in the way of those who feel the greatest sense of injustice. I fully support the recommendations of the report, notably the enhancement of SME rights.

I know that the Minister is aware of and appreciates the feelings across constituencies about this matter. I ask for his comments on the following matters. Even if we are dealing with the systemic failure of our banks and banking system, we still require a full and open inquiry to understand that failure. That inquiry would benefit financial institutions, the business community and, certainly, the wider economy. More than that, it would bring transparency and light to the people who have suffered. The inquiry might start to provide closure for individuals who have for too long battled against the Lernaean hydra that is the financial industry. A public inquiry would establish the facts. It would allow the industry to learn from past events, offer reconciliation and re-establish accountability after a scandal that gripped financial institutions not only in our country but globally.

First, therefore, will the Minister support cross-Bench calls for a full public inquiry? I realise that it is a big ask and will require a considered response, but it would be a positive step if he could at least support a joint cross-departmental taskforce to identify the extent of banking failings—impact, regulatory failings, missed opportunities—to get to the root cause of the problem and its future impacts. Such groundwork would not only be important in itself but could act as a foundation for a public inquiry.

Furthermore, on 10 May, the Minister who has joined us today—I apologise for quoting him in this—said:

“I am meeting Andrew Bailey regularly, and I hope that the FCA will conclude its investigation soon, by which I mean in the next eight to 12 weeks. As I mentioned in our debate on this topic in January, I do not wish to complicate the matter further or prejudice any outcomes while the FCA is investigating, but I am very clear that I expect it to conclude its investigations in a very short timeframe.”—[*Official Report*, 10 May 2018; Vol. 640, c. 979.]

Today it is exactly nine weeks since that assurance. I also ask for adequate funding and expertise in the investigation of financial fraud. Part of the imbalance in power in the system comes from the reality that the expertise needed to investigate those claims is expensive and in short supply.

I fear that the banking industry has developed a worrying culture that has facilitated a breakdown in trust between that industry and business owners throughout the country. The culture is rooted in institutional misdemeanours but exacerbated by the closure of high street banks and the loss of ATMs. We need a new banking settlement to ensure that business owners in all areas of the country have access to local banking services. Those same customers must also be given an assurance that they can trust the banking hubs and, if the trust breaks down, a tribunal will act as an investigator and a way of re-establishing it.

Small businesses are the lifeblood of our economy, which needs a trustworthy banking system to support and help SMEs to prosper. The economy is at the foundation of our society, and our society demands more from its banking system, from its financial services and—in reality—from its Government. I repeat a phrase that I have used in previous debates: the victims are not going to go away.

1.47 pm

Stephen Kerr (Stirling) (Con): It is a pleasure to serve under your chairmanship, Mr Bone. I thank the Backbench Business Committee for making this important debate possible.

I also thank the hon. Member for East Lothian (Martin Whitfield) for his speech, which was powerful and insightful. The questions he asked deserve good answers. I also congratulate my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) on his work in producing that valuable report. As the hon. Member for East Lothian said, this issue will not go away. A cross-party coalition of Members of Parliament will continually bring it to the fore until there is justice for those who have been so obviously wronged.

I pay tribute to our nation's entrepreneurs, in businesses that are small, medium and large. Those entrepreneurs should be celebrated, encouraged, nurtured and, occasionally, even lionised. They are people with aspiration, ambition,

ideas and entrepreneurial energy and drive. They take the calculated risks that create something, which in turn creates wealth and prosperity. They create employment, they support families and they are the true engine of our economy. To care about the future prosperity of our country is to be passionate about entrepreneurs. We should foster the energy and ambitions of our businesses.

That is why this debate matters. The one thing that we have learned from the scandals at HBOS Reading and in RBS GRG is how frighteningly easy it is for businesses, small and large, to be parted from their assets—to be taken out of their business and erased from existence. Any small technical breach of a commercial loan contract can be seized on by a bank as an excuse to foreclose on a business, even if that breach has no impact on the business's current performance or future success. The most common rationale for this extreme measure is the allegation that the value of the property that the loan is secured on has fallen. That means that the loan-to-value covenant is breached, which gives the bank the power to appoint a Law of Property Act receiver or to put the company into administration. There are many cases of businesses that have never missed a payment but the banks have still seen fit to move in and seize the company. At that point, the owners immediately lose control of their business and can only watch helplessly from the sidelines while it is asset stripped and destroyed.

Bob Stewart: It is really upsetting to think that companies such as GRG have these robbers—they are people who are set up to try to find something that they can use to screw their customers out of their life's work. It is so appalling I cannot believe it can happen, but it seems to happen all the time.

Stephen Kerr: My hon. and gallant Friend not only says the right things but says them with the passion and angst that we all feel on our constituents' behalf.

At the stroke of a pen, and often based on a valuation that was instructed by the bank in the first place, a director or an individual loses immediate control of their business and their assets. To that end, I would like to share with hon. Members the story of one of my constituents, to add to the many other stories that have been and no doubt will be told today. My constituent's name is John Roseman. I can do no better than to describe him in his own words from his LinkedIn profile, which I know are accurate from having met him. He describes himself as an “entrepreneur” and he is absolutely that. He fits the bill. He has

“vast experience in International Business in the High Tech Arena of Microelectronics, Solar, Oil & Gas, Cleanroom Environments & High Purity Manufacturing.”

John had a business, Sematek UK, that he describes as a

“Clean manufacturing service company specializing in turnkey clean environments, high purity gas, chemical and water installations, Mechanical, control and electrical engineering.”

His business had a turnover of £10 million and was based in my constituency. There are not so many businesses in my constituency that turn over £10 million, but John's business did. He had blue chip clients across the world on every continent. His business was making money—it was profitable and had good margins. He came to see me in a surgery that I held in Dunblane, with a whole set of management accounts as evidence.

[Stephen Kerr]

The success John had made of the business that he founded in 1990 was clear and obvious. But that all changed. Suddenly, in 2011, without any notice, John had the rug pulled from under his feet. RBS said it would like security on his existing facility, but no covenant had been broken and nothing substantial had changed, except that John's business was becoming more successful and making more money. One day, the bank appointed someone to call on his business. John thought that he had come to do an inspection on behalf of the bank. But no, this was an insolvency practitioner, whose first words to John were that his facility had been immediately withdrawn and his business put into administration by the bank. John Roseman had another company called Mov-Stor. That business was not liquidated, but RBS GRG took all its assets and sold them on. It gave him a fraction of the true worth of that business's assets.

I spent some time with John and he gave me permission to talk about his case today. His story is just one illustration of the brutal approach of RBS GRG and other banks to small and medium-sized businesses such as John Roseman's.

Martin Whitfield: It is interesting that when we discuss entrepreneurs in this country, we frequently talk about their inability to develop from an SME into a large company. We put that down to selling the idea abroad, but actually today's debate and the effects of the finance show that perhaps there is another reason why they are unable to do that, which has nothing to do with their ability or out-of-the-box thinking.

Stephen Kerr: The hon. Gentleman speaks well to that subject. Banks should exist to provide the capital that businesses need to scale up and become bigger, albeit for their own commercial interest, but I am sorry to have to say that is not how it works in this country.

The impact of the events on John Roseman was far more than just commercial. They had a devastating effect on him, his health—as I witnessed when I met him—and family, and his employees and their families. John's business was stolen from him, and I make no apology for using that word.

Kevin Hollinrake (Thirsk and Malton) (Con): My hon. Friend is making a brilliant speech. Does he agree that the common factor in a lot of these businesses was that they had assets or that the people had personal assets? The bank chose them deliberately, but then denied year after year that GRG was a profit centre, despite the fact that the skilled persons report determined that in 2011, GRG made £1.1 billion in profit on a turnover of £1.3 billion.

Stephen Kerr: There can be no doubt about the nature of GRG's operations. To say anything other would be a deceit about the part played by GRG. I apologise for having to use such unparliamentary language to describe the operations of a business, but that is the case too often in the examples that so many Members have had brought to us.

There was no failure in John's business or model—they were a success. His business's products and services were in demand. His customers certainly had not deserted him. But the Royal Bank of Scotland brought him down for its own purposes. He has still to get anything

like an appropriate settlement in compensation for the way he was treated. John is cut from rock and the Royal Bank of Scotland should be warned that it can try to close his case, as it has told him, but he will not give up and will not go away. He wants justice and recompense, and he should be treated with more respect than he has been so far. As his Member of Parliament, I will support him as best I can.

John's case is only an example; there are so many others. He suffered severe trauma. His health has been affected through stress and anxiety. He has suffered heart problems; he had heart surgery the week before his daughter was married. His marriage and his friendships have suffered. He said to me:

“My wife found it especially hard having to deal with the day to day situation and our marriage suffered seriously and was lucky to survive the constant pain, anger and aggression I was going through watching our family business and assets being stolen from us.”

That is the human cost, along with the human cost to his employees, his team and their families.

I repeat that, at the stroke of a pen, directors and shareholders suddenly have no voice and no right of reply, even if they never missed a payment but honoured their obligations. It is that easy. The customer gets no warning and has no ability to appeal. That can happen whether or not the valuation on which the supposed contract breach is based is correct.

Who determines that a property's value has fallen? It is usually a surveyor from one of the bank's panel of firms, which depend on banks for their business. They are hardly independent. Hypothetically, if a bank had a liquidity problem and needed to raise funds quickly, all it would have to do is engineer a bogus breach of contract—the rest would be history. Sadly, many banks are commonly accused of having done exactly that in the aftermath of the financial crisis.

As we can see, it is not just the bank involved—surveyors, LPA receivers and administrators all play their part. It is therefore imperative that those practitioners and their regulators are held to account for the roles they played—and continue to play—in the destruction of British businesses.

Martin Whitfield: The hon. Gentleman is being generous with his time. The fact that the contracts the banks entered into with customers were so complex and so cleverly—I use that word carefully—worded that they misled individuals about the powers the bank had over them plays into the APPG's cry for a much simpler, more straightforward and more honest contractual relationship between banks and individual customers.

Stephen Kerr: Absolutely—complexity is a weapon in the hands of the banks.

RBS has been at pains to point out that Promontory did not find any evidence of deliberate undervaluation of properties. However, Promontory also stated in its report that in many cases it could not find any evidence that a valuation was correct. In other words, they were making it up as they went along. In such a cosy relationship, the surveyors, LPA receivers, insolvency practitioners and financial institutions all hold incredible power over the borrower. They used that power—they still can—to enrich their own firms and their balance sheet positions at the expense of viable businesses. Indeed, the section 166 report specifically refers to their searching out “opportunities” to default.

Insolvency was seen as an opportunity to get rid of troublesome complaints, as the voice of the individual businessperson is wiped out, and avenues for complaint or redress blocked, at the point of receivership or administration. In our last debate about this issue, which was in the main Chamber, I mentioned another method that some banks—Clydesdale, for example—have used to wipe out swathes of troublesome or just unwanted business customers: selling their loans on and letting a shady vulture fund, such as Cerberus, do the dirty demolition job for them.

We start with a situation where businesses have no effective protection against being badly treated by banks and their associates. Added to that, there is no real disincentive for banks and their associates to behave badly and even criminally towards those businesses, and nothing to stop the same banks and associates simply pulling the plug on them and hoovering up their assets to distribute among themselves. Businesspeople have nowhere—nowhere within their financial means, at any rate—to take their complaints about poor treatment that gives them a realistic chance of resolving their problems before their businesses and lives are consumed by them, or of receiving satisfactory compensation where they have suffered substantial loss or damage. On top of that, we repeatedly fail to take allegations of mistreatment and fraud seriously, and we refuse again and again to investigate and clamp down on bad and even criminal behaviour. Even on the rare occasions when we eventually investigate and prosecute, as in the case of HBOS Reading, we go after the foot soldiers, not the generals. It is not hard to see how that awful recipe of things combined to cause thousands of businesses to be devastated, their owners' lives to be shattered and many jobs to be lost.

If we repeatedly fail to take allegations of mistreatment and fraud seriously, and we refuse again and again to investigate and clamp down on bad and criminal behaviour, there is no reason why such actions should ever stop occurring. I reinforce and second the questions the hon. Member for East Lothian asked, and I say to the Minister: please, for the sake of UK plc and the many businesses devastated by the issues I have tried to describe, let us take clear action to ensure that justice is served.

2.5 pm

Bob Stewart (Beckenham) (Con): This is the third or fourth debate in which I have spoken in support of people running SMEs who have been utterly shafted—that is not too strong a word—by some banks. It is clear that quite a few SMEs are being denied justice in their many financial services disputes. I am amazed that that has not been fixed by now.

I have spoken up for my constituent Dean D'Eye and his family and friends, who have been terrorised by insolvency professionals working for the Global Restructuring Group and Dunbar bank. Mr D'Eye had his life's work taken away from him. He had a development company in south London with a value of £140 million, as well as a thriving youth hostel business that employed more than 100 people. He was robbed of them by banks working like pirates. It is simply appalling that they have been allowed to get away with it.

I will not repeat the D'Eye family's experience, which is already on the record, but it is instrumental in guiding the way I look at this issue. How can it be that our

entrepreneurs are so badly served by some banks? There should be a healthy, supportive relationship between them, but sometimes that loyalty goes only one way. Some banks—not all of them—extort their SME customers in an incredibly predatory way. Some clearly have no humanity, no understanding and no common decency.

In the end, SMEs sometimes must take legal action against banks. Of course, they cannot match the legal armies banks put into the field against them. They simply do not have the resources, particularly as those very same banks have so often raided their accounts and taken moneys without their leave. We have a good—perhaps a great—justice system, but far too often SMEs simply do not have the money to access it.

I have read, and completely support and endorse the report by the co-chair of the all-party group on fair business banking, my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake). As suggested in the Hollinrake report—I do not think I am breaking the rules by calling it that—it is right and proper to extend to SMEs the right to take action under section 138D of the Financial Services and Markets Act 2000.

As many people present realise, the only way for an SME to get independent resolution of a financial dispute is to complain to the Financial Ombudsman Service or seek legal redress. However, the Financial Ombudsman Service's powers for SMEs are small and, as I have explained, taking a legal route can be extremely costly. In truth, the Financial Ombudsman Service is not set up to deal with SMEs. The system needs to be revisited and adapted so that it can deal with them.

There is also a gap right now between the Financial Ombudsman Service and the courts that needs to be sorted out. One way to do that, as the hon. Member for East Lothian (Martin Whitfield) mentioned, would be to establish a new financial services tribunal specifically to help protect and guide SMEs. That is also recommended in the Hollinrake report. I totally support that idea, as I think everyone in the Chamber does.

Martin Whitfield: Just to confirm, there is discussion about extending the authority and powers of the Financial Ombudsman Service, but even then 30,000 SMEs would still fall outside of it. A tribunal would even out the battleground between them and the banks.

Bob Stewart: How long would it take to sort out 30,000 SMEs?

We are all clear about the importance of a thriving SME sector, run by entrepreneurs with leadership, drive and determination. Almost everyone who has spoken has mentioned it, and we all agree. It is up to us, as legislators, to ensure that such people—the lifeblood of the prosperity of our nation—are fully supported by a banking infrastructure designed to help them, not screw them. In far too many instances that does not happen, and it is utterly disgraceful. It must be sorted out. Please, God, can Parliament sort it out?

I have the utmost respect and regard for the Minister, who is an incredibly good friend. I hope he can get his officials cracking to sort out this matter with immediate effect, because it is a bloody national disgrace.

2.12 pm

Kevin Hollinrake (Thirsk and Malton) (Con): It is a pleasure to serve under your chairmanship, Mr Bone. I thank my hon. Friend the Member for Beckenham

[Kevin Hollinrake]

(Bob Stewart) for his kind words. Although it is nice to have a report with my name on the front, it was written with co-operation and contributions from many people in the all-party group and outside it. It is wonderful to be associated with such an effective group, which has been one of the key bodies responsible for today's debate. We would not be here without the all-party group. I have been associated with it for only a few short months, so I pay tribute to the many people who came before me. I thank the hon. Member for East Lothian (Martin Whitfield) and my hon. Friend the Member for Stirling (Stephen Kerr) for sponsoring today's debate and for their superb contributions, which set out clearly the banking failures and abuses.

I have been lucky to have had the opportunity to start and build a business over 25 years, starting from small beginnings and building it into a large national organisation. I could not have done that without the support of banks, who in the main provide a good, vital service to businesspeople across the UK.

Businesses will often try to bend or break the rules—it is part of the entrepreneur's DNA. Sometimes that can have a positive effect: creative destruction that finds new, more effective and cheaper ways of doing things that benefit consumers. Rule breakers such as Uber and Amazon present constant challenges to rule makers as regulations have to play catch-up to deal with new and better ways of working. However, sometimes breaking the rules can be very bad, particularly when they are broken so badly and with such immorality by those within an effective UK banking oligopoly of banks that are too big to fail, too big to sue and apparently too big to regulate.

In the last 10 years, particularly at Lloyds-HBOS and RBS, we have witnessed the most disgraceful, shameful episode in British banking's 500-year history. Despite persistent and strenuous denials, those banks broke the rules to such an extent that they have been found guilty respectively of fraud and systematic mistreatment of their own business customers, which has led to the destruction of thousands of jobs, businesses and lives. In business, business is one's life—it is not just about money. Those banks not only denied wrongdoing but used all the money, influence and power at their disposal to shut down and discredit anyone who tried to draw attention to their malpractice.

In 2013, Yorkshire businessman Lawrence Tomlinson, then the entrepreneur in residence at the Department for Business, Innovation and Skills, was the first to discover and report on the abuses of thousands of SMEs at RBS and its notorious restructuring division, GRG. Incredibly, its response to his report was to withdraw banking facilities to his extensive business empire—he was an RBS customer—putting thousands of jobs at his enterprises at risk. It even tried to convince its Coutts subsidiary to withdraw the mortgage on his home.

It is individuals such as Mr Tomlinson, Paul and Nikki Turner—they are in the Public Gallery—and my constituents, the Welsbys, as well as journalists and those involved in the all-party group, who have brought abuses to light, not our regulator. Why should it be down to individuals to hold these people to account? We are also grateful to some eminent people in the legal world, including the former Master of the Rolls,

Lord Dyson, and barristers Richard Samuel and Jeff Golden, for their support in drafting the report, which gives it so much credibility.

Two months after the Tomlinson review, the banking regulator, the Financial Conduct Authority, commissioned a full "skilled persons" report, which was completed in September 2016. It decided not to publish the report, at least in part—according to leaked minutes of the board meeting—because of concerns that it might be taken to court by RBS. Instead, 12 months later, it published a summary of the report, which inexplicably reversed the principal emphasis from demonstrating "widespread inappropriate treatment" to "isolated examples of poor practice."

How can that be?

Power corrupts, and absolute power corrupts absolutely. With 90% of our business lending under the control of our big four banks, it is vital that our regulators hold this oligarchy to account. Yet, despite the banks' chequered history of deception and denial, they are still allowed by the FCA to carry out their own internal compensation schemes and inquiries. There is little sign of action from the regulators or our fraud or crime agencies. Our regulators should be fearless protectors of banking customers and consumers, but actually they appear to be defenders of the banking faithful.

There was an interesting conversation at our launch last night. One of our officers spoke to one of the senior executives at Lloyds about our work—we are determined to call a spade a spade—who said, "Well, our good will towards you is wearing a little thin." Our regulators, our Members of Parliament and our Ministers do not require Lloyds-HBOS's good will to hold it to account.

The "Project Lord Turnbull" report, which the APPG published recently, makes serious allegations of fraud and cover-up against senior directors of Lloyds and HBOS. Those allegations must be investigated. I will name those people again: Andy Hornby, the chief executive; Sir Dennis Stevenson, the former chairman; James Crosby; Peter Cummings; Sir Ron Garrick; Mike Ellis; Peter Hickman; Hugh McMillan; Stewart Livingston; Ian Goodchild; Steven Clark; Andrew Scott and Tom Angus.

Those people must be questioned and investigated, as must those connected with those crimes, such as Rory McAlpine, the solicitor for the board of HBOS and then for the board of Lloyds Banking Group, who was repeatedly sent evidence of the fraud by Paul and Nikki Turner, and even confirmed to the Turners in writing that if their allegations were confirmed, that would amount to criminal conduct. He attended, I believe, six of the Turners' 22 eviction hearings in the Cambridge county court—an odd venue, one might think, for the deputy chairman of one of the UK's largest law firms. His comments in the Turnbull report show a surprising level of antagonism toward the Turners and also, potentially, a surprising disregard for the law.

There are also individuals such as David Crawshaw of KPMG, who was the reliable insolvency practitioner to Lynden Scourfield, one of the people found guilty of the HBOS fraud. These people must be investigated—

Mr Peter Bone (in the Chair): Order. I am sorry to interrupt the hon. Member when he is speaking, but I want to be assured that none of the cases he is discussing is live. They are not sub judice, are they?

Kevin Hollinrake: Mr Bone, you make a fair point, but the report is in public circulation and has been for some time; this is nothing that you cannot read in public record on the internet.

The skilled persons report into RBS/GRG clearly refers to the abuses resulting from the priorities GRG pursued. That can only mean those in senior executive roles within that organisation: Derek Sach, Chris Sullivan and Nathan Bostock. To go back to your point, Mr Bone, I hope they are live cases and these people are being investigated, but the lack of evidence of any interrogation of these facts is the thing that most concerns us. The victims of the abuses must be questioned, at the very least, by our authorities, and if evidence of guilt can be established, prosecutions must follow. To our knowledge, no such questioning of victims has taken place. We need justice for the individuals who have been wronged, but we also need justice to ensure that those who are ultimately responsible are held to account.

Our major banks are so large and complex that I am sceptical that we will ever be able to regulate them effectively. As well as trying to stop these abuses from happening, therefore, we need a mechanism that offers redress to those abused when they do. The proposed solution of expanding the Financial Ombudsman Scheme is welcome, but will still leave many without access to justice. The FOS is an alternative dispute resolution mechanism; it cannot compel the release of evidence or attendance of witnesses, and judgments are made in private, so the guilty avoid scrutiny. The primary dispute resolution mechanism is the court, but who can afford to sue a bank?

The simple solution that we propose is to establish a financial services tribunal, as detailed by hon. Members on either side of the House, which would emulate the operation of employment tribunals so that the plaintiff does not have to stand the cost of the defendant's legal fees even if they lose. If we give businesspeople confidence that they will be treated fairly if things go wrong, we can not only provide justice to those who have been wronged, but reverse the five-year decline in confidence and new borrowing from our banks and, crucially, deliver a timely boost to the UK economy.

2.24 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): It is a pleasure to serve under your chairmanship, Mr Bone. I congratulate the hon. Member for East Lothian (Martin Whitfield) and the hon. Member for Stirling (Stephen Kerr) on securing this important debate. I am delighted to speak for the Scottish National party and I share almost all the concerns that have been raised so far. I say almost, because I have a few more direct criticisms of the UK Government and what they could have done and should do in the future, but I will come to those in due course.

What I think we would find in common among those who have looked into the practices of the rogue banking sector is the palpable anger about the treatment of people who have found themselves in grossly unfair situations. The hon. Member for East Lothian started off by talking about the drive for high standards in the industry; there is a drive among some people who are committed to achieving that, but that drive must be reflected among those in positions of power. He pointed

out the absolute failure to support small businesses, particularly given the percentage—99.9%—of businesses and £1.8 trillion figure that he outlined. I do not think it is often explained to a wider audience just how big and important the sector is, and it is vital across the nations of the UK.

The hon. Gentleman also made the point that trust in the banking sector has never been lower, and unfortunately I think that is the case. I say unfortunately, because I want to talk about the good parts of banking later on, but he is absolutely right. There is such a wide range of factors involved in the situation, and of course in the Scottish context the issue is quite disproportionate. I agree with his comment on that.

Bob Stewart: We are talking of trust. We are talking of despair—utter despair—in people. The despair with the banking sector is so great that that despair will be translated towards politicians unless we sort this out and help entrepreneurs. They have a right to expect us, as politicians, to sort this. Where else can they go but to us?

Drew Hendry: In typical, passionate fashion, the hon. Gentleman makes a strong point. He is right that more politicians should be angry about this, and not just the hon. Members in this room or in the debates we have had recently in the Chamber. This is a critical matter that many more hon. Members should be focused on and concerned about. The hon. Member for East Lothian talked about the Government's role, and I will come on to agree with some of the things he said and add my own comments. The disgrace of the Global Restructuring Group, which has been well rehearsed many times, is a vicious application of sharp practice by the GRG—although there were others, of course, and it was not alone in that.

The hon. Gentleman talked eloquently about the lost businesses, marriages and homes, and the people who have been stripped of their dignity and, in some cases, even pushed toward suicide. He made some positive proposals for the legal rights of SMEs, which were repeated by other hon. Members. He also said, tellingly—this is important for people—that the victims are not going away. This is not going to disappear just because the banks want it to; it will continue to be brought up.

The hon. Member for Stirling talked about entrepreneurs, and he is right. Entrepreneurs are important around the nations of the UK as those who take the risks—that is what it means. Anybody who has been in business knows that entrepreneurs often have to take risks that go beyond the norm, putting houses and property on the line, and in certain circumstances putting their family on the line—as we have heard in the context of the unfortunate outcomes—to take opportunities in business. He talked about fostering energy and ambition, which is exactly what banking should do. In some cases it does, and I will come back to some of that later, but I agree that it has proved to be frighteningly easy to erase businesses through technical breaches. That has been one of the biggest complaints.

The hon. Gentleman highlighted the sneaky practice of banks using insolvency practitioners to do their dirty work. He spoke about RBS GRG's asset stripping and loading up on the profits from that, as well as its brutal application by RBS and other banks. We can all pinpoint

[Drew Hendry]

a constituent who has been hammered by these things, and the hon. Gentleman spoke eloquently about his constituent John's business being stolen from him. A common theme from all the contributions was the health effects on such people, including stress, anxiety and even heart problems, with families being almost torn apart. Similar to the line about victims not going away—I mean that in a positive way—he talked about the human cost, and he asked the Minister directly for clear action to ensure that justice is served. I will come back with some asks for the Minister as well.

The hon. Member for Beckenham (Bob Stewart) spoke passionately, and rightly so. I do not say that in a glib way; he is right to be passionate and outspoken. He talked about people being terrorised by GRG and Dunbar Bank, about people's lives' work being taken away from them and the fact that there is one-way loyalty. Isn't that true? In all of the cases we have heard about, that has been the situation—it has been a one-way street. Some of the banks have been predatory; there is no other way to put it.

The hon. Gentleman also talked about small and medium-sized enterprises being unable to match the legal armies of the banks. That is vital, because after the banks carried out this sharp practice—we do not know, but some may still be doing some of this without it coming to light—there was no real recourse. People do not have the ability to tackle it. By the nature of the problem, they do not have the money to access the rights for action. He pointed out that the Financial Ombudsman Service, as it sits, is not fit for purpose for SMEs. The hon. Gentleman said that small business is the life and blood of his nation, and I think that is even more acute in Scotland, where small businesses are even more central to the economy, as was mentioned.

I pay tribute to the hon. Member for Thirsk and Malton (Kevin Hollinrake) for his work. He made a point that I want to stress: banks provide vital services for businesses. When we criticise the people working in the banks, we talk about a fairly small number of key decision makers. We must appreciate that an army of people work in the banks who are good, hard-working, dedicated and honest people of great integrity who help people in their communities and in the wider business sector. I know that there is agreement around the room on that, but it is important to underline it.

As I said, banks provide vital services. When banks operate in the way they should, it is fantastic. When they operate in the ways we have seen, particularly with some of the decisions made at a corporate level over the past few years, it is absolutely destructive and no good at all.

Kevin Hollinrake: The hon. Gentleman makes an excellent point about people working in those banks who have integrity. Through our work on the all-party parliamentary group, we met people at a senior level who were appalled at what happened within GRG. The second phase of the FCA investigation should now take place, to name individuals and find out who was ultimately responsible. However, it is not apparent that a thorough investigation and questioning of such people, who could provide evidence on exactly what happened, is taking place. It needs to be shown that it is.

Drew Hendry: The hon. Gentleman has highlighted that fact, and I think we all agree with him.

The other comments made by the hon. Member for Thirsk and Malton are worthy of highlighting. He talked about the banks being too big to fail, sue or regulate; well, isn't that the case? We have seen that over recent years. He talked about how reports can suddenly change from saying that there are widespread problems to there being only isolated examples. How come? He also talked about the FCA allowing banks to undertake internal inquiries and compensation schemes, which, again, seems completely incompatible with its role. The hon. Gentleman also said that regulators should be fearless defenders, not complicit in allowing these practices to happen. I thank him for his comments.

Martin Whitfield: I take the opportunity to pay tribute to my immediate predecessor, who worked with the APPG on the forerunner to this report. I am sure that this is the case, but does the Scottish National party agree on the need for a financial transactions tribunal along the lines of employment tribunals, which carry so much public confidence?

Drew Hendry: There is a need to tackle that. I will come on to exactly what my party proposes, which I think the hon. Gentleman will find favour with.

I do not want to lose the words of the hon. Member for Thirsk and Malton, who said—this is not a direct quote; I hope he will forgive me—that Ministers do not require the goodwill of the banks to hold them to account. That is important. Finally, he talked about the major banks being so large and complex that it seems impossible to rein them in. He mentioned a solution being a financial services tribunal, so that plaintiffs do not face a cost, win or lose. We have to consider that.

I understand that there is a bit of time left, so if it finds favour with hon. Members I will make a few more comments. I wanted to talk about all these issues, but I will start with the impact of some of the decisions made by the banks on local communities. People in rural areas have been hit by the closure of their banking services. My constituency alone has seen branches close in Inverness, Nairn, Aviemore and Grantown-on-Spey.

I was sent an appeal by the Badenoch and Strathspey Disability Access Panel. Its members felt so strongly that they got together to send their concerns. They wanted to communicate their concerns to Members about the adverse impact of bank closures on rural communities generally, and on the disabled members of those communities. They said:

“Recently the Royal Bank has closed its branches in Aviemore and Grantown, and the Bank of Scotland has closed its branch in Kingussie.”

For those unfamiliar with the geography of my constituency, those are quite disparate communities. Closing the branch in Grantown means that somebody wanting to access RBS services now has a round trip of more than an hour—in good weather—to Inverness to do so. They also say:

“Like the community in general, disabled people are very dissatisfied by the use of Mobile Banks, which offer only limited facilities for a few hours in the week. This causes problems of privacy, queuing (whatever the weather) and security, e.g. sums of money can build up between the visits of the bank and people are rightly worried about the safe keeping of them.”

They are worried about being seen in open queues are they go to mobile banks with piles of cash on them. Cash businesses often have to operate in rural economies. They also say:

“Disabled people have particular worries. The banks claim that Internet banking is a viable alternative, but many disabled people have no access to the internet. Furthermore, they find the option of having to undertake a return journey of between 20 and 30 miles (or more) to visit a proper bank distressing, because it either means depending on someone for transport or trying to use public transport, which is far from frequent in a rural community and which can be challenging to access for a person with a disability.

Finally, the banks have failed in their duty of keeping customers informed. How accessible are the sites chosen for the vans, how accessible is entry into the van, what facilities for the disabled are available in the van, e.g. for deaf or visually impaired people, and how well trained are the staff in dealing with the needs of disabled people? It may be that the banks have made adequate provision, but there has been no attempt to communicate this to disabled customers, who may be deterred from making use of the mobile bank. Incidentally, there has been an occasion when the mobile bank did not appear because of mechanical failure, but there was no system in place for the public to know what was happening.”

They were waiting in the cold for something that would turn up, without communication.

The disability access panel said of one customer that she uses a stick and walking from her house to the bank is a “big undertaking”. No seats are provided for people who are waiting,

“so she had to stand outside, which was difficult. The steps were very high—they did help her up the stairs but she doesn’t think she could do this every week. She asked for bank statements and was told they couldn’t do it...she would have to go to Inverness.”

They could only offer her the balance, just like at an ATM. The panel continues:

“She gave them feedback but they only noted it down on a bit of paper, she didn’t feel they took her complaint seriously.”

All I have had from RBS in response is that it has forwarded some information about the current situation. It is looking for a coach builder; it has not found one yet, but in the short term it is using a system called MyHailo, so customers will have a fob that they can press to get a member of staff from the van to come out. That answers very few of the criticisms that were made.

It is a disgrace that, despite being a 70% shareholder in the bank, the Government have failed to use their influence to represent Scottish communities and reverse devastating branch closures. The public bailed out the Royal Bank of Scotland; it cannot repay communities by simply abandoning them. It is a dereliction of duty that the UK Government did not make stronger representations to RBS about the impact that the closures will have on communities across Scotland and the other nations of the UK as they roll out. RBS branch closures have a devastating impact on Scottish communities, particularly, as I have said, in isolated rural areas. RBS has underestimated how much people rely on traditional in-branch banking services.

Stephen Kerr: I wish to support what the hon. Gentleman has just said and add to it. The Royal Bank of Scotland and others who are party to the process of bank branch closures have underestimated the anger that those closures have caused in communities in my constituency and throughout Scotland. That anger towards the Royal Bank of Scotland is not going away. Real reputational and brand damage has been done to what was otherwise a great—a grand—Scottish institution.

Drew Hendry: The hon. Gentleman and I normally disagree on just about everything. Very occasionally, we find points of agreement, and it is impossible to disagree on this issue. There is palpable anger. I talked about the comment by the hon. Member for East Lothian about the failure of trust in the bank. That is at grassroots level. It is right inside the communities. How daft is it to have trust in the bank demolished at the very top level and right at the grassroots? It is just crazy behaviour; it is also harmful behaviour. It is clear to me that some people are just looking for a very short-term gain, so I thank the hon. Gentleman for his intervention.

There is more I could say on the rural issue, and there is a lot more that people would say, but I want to get on to the treatment meted out by RBS’s Global Restructuring Group to SMEs in the aftermath of the financial crisis.

Stephen Kerr: I think that the hon. Gentleman and I will find that we can agree on a number of things this afternoon, and for that reason alone, this debate is noteworthy. He mentions the short-term gain that the Royal Bank of Scotland feels that it is making through the branch closures, but the amounts of money involved are minuscule in the context of the bank’s operations, and the damage that the closures are causing, if that were to be quantified—I am sure that it would have to be somehow—would be far greater than a few million pounds. The Royal Bank of Scotland must accept that it has a social responsibility that goes beyond mere pounds, shillings and pence.

Drew Hendry: This is becoming a habit, but I completely agree with the hon. Gentleman. I have cut my notes a wee bit shorter, but the point I was going to make was exactly that: the sell-off of assets does not make any financial sense in the longer term. If we believe that the vans are going to stay—that requires a stretch of the imagination—they still have to employ people and incur costs. When we hear figures of x million pounds, that sounds like a lot of money to some people, and in some contexts it is a lot of money, but in terms of the scale of the bank, it is a tiny drop in the ocean, so again, I agree with the hon. Gentleman.

As I said, I will turn to the treatment meted out by RBS’s Global Restructuring Group. In the aftermath of the financial crisis, it behaved in a completely unacceptable and disgraceful manner. I concur with hon. Members that it is also a disgrace that the UK authorities have failed to intervene. Following the credit crunch, GRG took control of 16,000 SME customers with £65 billion of assets in Project Dash for Cash. Following allegations of malfeasance, GRG was reportedly disbanded in August 2014. More than 12,000 companies were pushed into the bank’s controversial “turnaround” division; and between 2007 and 2012, the value of loans to customers in GRG increased fivefold to more than £65 billion. With the threat of foreclosure of loans, the banks seized control of customer assets cheaply from businesses that they claimed were failing even though they had not defaulted on any loan repayments.

When we state the situation as simply as that, we wonder how it can be the case, yet as we have heard, time and again it was. We have said this before in the main Chamber and other debates, but it is absolutely shocking that bank managers were able to increase their bonuses by identifying customers who could be squeezed

[Drew Hendry]

in what RBS itself, in a 2008 email, called “Project Dash for Cash”. The leaked document disclosed that the taxpayers’ bank ran down businesses as part of a premeditated strategy to cut lending and bolster profits. People should be in jail for doing that.

RBS is not alone in being embroiled in this scandal. Several other banks, including Clydesdale, were caught in similar scandals.

Kevin Hollinrake: The hon. Gentleman makes a very good point about the financial interest and financial benefit that some of the executives saw. He may be aware that Nathan Bostock, who was one of the senior executives at GRG and is now at Santander, where I understand he earns £4.6 million a year, is still getting a bonus from RBS—in terms of deferred bonuses—of £1.8 million this year. Despite what has happened at GRG and the fact that it came about as a result of the priorities of the management, that person still earns millions of pounds in the financial services industry.

Drew Hendry: That was a stunning intervention. This is not just about people getting away with it; it is about people being rewarded for it and continuing to be rewarded for it. In any other place, this would be a great national scandal, of huge proportions. The fact that not so many people know about it is still a real problem for the way we are operating across the nations of the UK.

As I said, RBS was not alone. Clydesdale bank was caught in similar scandals. National Australia bank, former parent to the Clydesdale and Yorkshire banks, will be forced to cover £406 million of PPI provision, under a divestment agreement. NAB was forced to save £1.7 billion for UK banking sector costs. Nearly 70,000 small firms, 8,372 of them Clydesdale Bank customers, took out what were called tailored business loans, which means that they are not eligible for compensation.

The Tomlinson report had already shown the damning practices conducted by GRG, saying that it “artificially distresses an otherwise viable business”.

The report stated:

“Once in this part of the bank, the business is trapped with no ability to move or opportunity to trade out of the position—they are forced to stand by and watch an otherwise successful business be sunk by the decisions of the bank.”

We have heard testimony on that from other hon. Members around the Chamber.

I could say a lot more; I have a lot more to say, but I am wary of my voice dragging on through the debate. I have considerably more to input, but I will move on to the Scottish National party’s point of view. We demand that the UK Government create a permanent commercial financial dispute resolution platform to alleviate the situation for victims of mis-selling. We believe, as other hon. Members do, that the current system of commercial dealings with the regulator and litigation processes around mis-selling is, to say the least, inadequate. It is vital that every victim of mis-selling is given fair and equal access to justice.

We believe that asking the victims of mis-selling to take on the banks in court is not only immoral, but financially unworkable. The independent review process has been accused, as we have heard, of lacking in checks and balances. The role of the independent reviewer was

to oversee cases, to ensure they are fair. Customers criticised the process, however, for the unaccountability of the reviewer, who would often fail to disclose the information that had been provided to them by the banks.

We call on the FCA and the UK Government to do all in their power to ensure that businesses, particularly small businesses, are informed about what they could be asked to sign up to and, critically, the consequences of doing so. It is time—the Minister has heard this from around the Chamber—for the UK Government and the FCA to step up to the plate to ensure that businesses get fair treatment and access to affordable justice.

The compensation scheme set up by RBS is simply not good enough. Given that many of the complaints were that sound businesses were being ruined, many company owners were also looking for compensation for consequential loss, rather than simply the fees they paid, which put them out of business. There is a separate consequential loss complaint scheme. By its nature, it is more complex and the calculation of loss is far more difficult. There are still questions, however, about the effectiveness of an ad hoc voluntary company compensation scheme.

We look to the UK Government to pick up where the FCA has failed and produce a comprehensive review into banking culture to ensure that history does not repeat itself for those customers. The SNP condemns the FCA’s decision to scrap its review on banking culture barely months after it was announced in 2015. It is vital that the Government take the necessary steps to ensure that the banking culture does not slip into pre-financial crash habits.

We fervently opposed the UK Government’s decision to scrap the reverse burden of proof, which had been recommended by the Parliamentary Commission on Banking Standards, and call for it to be reinstated in legislation.

There are many other points I could make, but I want to draw my remarks to a conclusion so that others can speak. I want to underline the key points I have made. It is a disgrace that the UK Government have failed to use their influence from their 70% stake in RBS to represent Scottish communities and reverse the devastating branch closure programme. The Royal Bank of Scotland has failed to consult adequately on closing Scottish branches, with no clarity on the required performance of the 10 given a reprieve, which seem to be set up to fail. The treatment displayed by the Royal Bank of Scotland’s Global Restructuring Group to SMEs in the aftermath of the financial crisis was completely unacceptable. It is a disgrace that the UK authorities have failed to intervene.

The Government must now create a new, permanent commercial financial dispute resolution platform, to alleviate the suffering of victims of mis-selling. The UK Government must pick up where the FCA has failed and produce a comprehensive review into banking culture to ensure that history does not repeat itself. I add, as a parting shot, that leaving the European single market will also be disastrous for the financial services industry.

2.53 pm

Peter Dowd (Bootle) (Lab): It is a pleasure to serve under your chairmanship, Mr Bone. I thank my hon. Friend the Member for East Lothian (Martin Whitfield)

and the hon. Member for Stirling (Stephen Kerr) for bringing this important matter for us to debate, discuss and tease out. I thank the hon. Member for Beckenham (Bob Stewart) and the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) for their comments. I thank, of course, the hon. Member for Thirsk and Malton (Kevin Hollinrake), whose report set a good scene for us.

I want to briefly quote from that report. I know we do not have as much time as we would have, if the hon. Member for Inverness, Nairn, Badenoch and Strathspey had not taken up so much time, but I am not criticising that.

Mr Peter Bone (in the Chair): Order. That is not quite right. I think we have until 4.30 pm, so do not cut your remarks short because of that.

Peter Dowd: Okay. Thank you, Mr Bone. The report states:

“In the wake of the financial crisis, the banking sector’s reputation has suffered from a number of disturbing scandals, many of which have had a catastrophic effect on thousands of individual lives and livelihoods. They have also damaged confidence, resulting in reduced demand for business borrowing and, consequently, a slowing of economic growth.”

That encapsulates not just the context of those affected, but the broader sense of the economy.

This is not about bashing bankers. Other hon. Members have noted that many thousands of people work in the banking sector whose hands are clean regarding this. Let us not—we have not—go down the path of blaming everybody in the banking sector. My constituency has a large banking sector. Santander has a centre there with about 2,000 people. We all appreciate that it is not everybody in the banking sector.

Bob Stewart: It is about the morale of people who work for companies such as RBS. How could all those decent people, who are working really hard, want to be associated with these bloody criminals? They do not! It is really bad for their morale.

Peter Dowd: I think the hon. Gentleman should tell it as it is and stop holding back on these matters. Clearly, there is something rotten in the state of Denmark. The banking system appears, at times, to have fallen under the worst instincts of greed, instinct and, in some cases, a predatory capitalism, which others have alluded to.

This year marks the tenth anniversary of the Government bailing out the banks at the height of the financial crisis. In October 2008, the then Chancellor, Alistair Darling, announced £17 billion and, subsequently, £20 billion-worth of recapitalisation funds for Lloyds and RBS respectively. At the height of the crisis, taxpayers—everybody here and people in the Public Gallery—paid out of their own pockets, in one fashion or another, to the tune of £1.5 trillion. That is an awful lot of cash to come out of people’s pockets.

It is worth remembering that it was the ineptitude, at least, of certain bankers and the greed of others—not, I must say, a Labour Government—that trashed the global economy, leading to the UK financial sector receiving the largest taxpayer-funded bailout in history. That narrative has given many people a “Get out of jail” card. Blaming the last Labour Government is not helpful, because it takes attention away from the real culprits.

The taxpayers who funded the bailout of RBS and Lloyds have since found themselves rewarded by the Government, with the deepest cuts to public services. That has to be said, because it is a consequence of the banking crisis, too. There are consequences for individual businesses, for small and medium enterprises, but there are also consequences of that greed that we all—in one fashion or another, whether it is our brothers, sisters or parents—suffered. Let us not forget that, nor self-flagellate on this matter.

I have to tell the Minister, it is an inconvenient truth that the Chancellor has sold off taxpayers’ shares in Lloyds and part of our shares in RBS. According to the National Audit Office, the Government sold shares in Lloyds at a loss of £5.9 billion. The recent sale of 925 million shares in RBS left taxpayers with a £2.1 billion loss. That is a total of £8 billion taken out of the pockets of taxpayers and of small and medium enterprises. That money could have been used for compensation and redress. That is the fact of the matter. We should not be selling these things off when people are already queuing up to get back some of the money that was inappropriately taken from them; that is the context.

I turn now to the failures of the banking sector since the financial crisis. Several Members used their speeches to express concerns, for example about the number of banks closing in the high street, and those closures are happening despite the Government introducing the access to banking protocol to prevent closures. This issue about trust and confidence continues; we must have trust and confidence in our banks.

In 2015, the four big banks made £11 billion in profits from high street banking. It is clear that they are in a position to provide these vital services and curtail closures, which are contributing further to the decline of our high streets and leaving communities all over the country financially excluded. We were there for the banks when they messed up and they must be here for us in our communities now. We helped them and they have got to help us and our communities.

The next Labour Government are committed to ensuring that banks provide the financial infrastructure that businesses and communities need, and we will replace the access to banking protocol with alternative legal requirements. My hon. Friend the Member for East Lothian referred to those alternative legal requirements and he also raised the issue, as did others, of the Global Restructuring Group. It is worth my making a comment on that issue, too.

Apparently—indeed, evidently—the GRG was originally set up to support businesses that were in trouble and bring them back to financial health; apparently that was its original *raison d’être*. And where that was not possible, the GRG would manage the cessation of a business to protect the bank’s interests. There is nothing wrong with protecting the interests of a bank, if it is done reasonably, fairly and through the proper channels, and not with a predatory approach. However, thousands of small and medium businesses, many of which had been viable in the medium or long term, were put into the GRG and little attempt was made to help them. That has become apparent and these banks have got to recognise that that was the case.

I think the Tomlinson report has been referred to already today. It examined numerous cases of businesses consigned to the GRG and found very few examples of

[Peter Dowd]

a business entering the GRG and then moving back out and into local management. It was a one-way street; it was a cul-de-sac for those businesses.

The Tomlinson report recorded strong evidence of RBS extracting

“maximum revenue from the business, beyond what can be considered reasonable and to such an extent that it is the key contributing factor to the business’ financial deterioration.”

So, the people who it was thought would help a business did not just fail to help it; they actually gave it a good kicking. That is the fact of the matter for many, many businesses. As I said, the very people who were expected to help save businesses did the opposite.

Of course, in their speeches today Members have cited a number of specific cases of businesses in their constituencies that were victims of this scheme, and “victims” is not too strong a word to use, because they were victims. There are heart-rending, heart-breaking stories of people that Members have brought to us today, and in our constituencies we have all encountered such cases, so these incidents are not isolated incidents.

All of that has meant that in certain situations the GRG effectively intervened in the valuation of assets, as has been indicated already today, triggered default and then took advantage of the consequences. Some businesses saw as much as a two-thirds reduction in their valuation in just two months. I repeat that—some businesses saw as much as a two-thirds reduction in their valuation in just two months.

I am aware that a complaints process is still ongoing between the RBS and its former business customers, and the victims of the GRG, as well as discussions about compensation. As I have said, many of us have been involved, to some degree or other, in this process. So I echo the calls made by hon. Members today and by my hon. Friends the Members for Norwich South (Clive Lewis), for Sefton Central (Bill Esterson), and for Stalybridge and Hyde (Jonathan Reynolds) in previous debates that this issue demands a full and independent public inquiry. Given the revelations in the Financial Conduct Authority’s section 166 report, there must be a comprehensive examination of all matters that could have led to practices that, at the very least, bordered on being illegal or were illegal. I know that the hon. Member for Thirsk and Malton was more robust in his approach to this issue than I have been, but I understand his sentiments.

The reality is that the Government’s response to what amounts to a scandal has been woeful at best, particularly when we consider the seriousness of the reports on this issue. Over the past decade, the relationships between banks and their customers have been damaged by a series of high-profile incidents. Business banking scandals, record fines and the closure of high street banks across the country have placed an insurmountable amount of pressure on this relationship.

The hon. Member for Thirsk and Malton says that one bank in particular is getting a bit tired of these indications. The suggestions that, in effect, we really ought not to be pushing this inquiry and that as a result their own good will is going, is frankly outrageous. It really is outrageous. Taxpayers were forced or required—whatever word that people want to use—to bail out the banks 10 years ago, and quite rightly they feel aggrieved by the continuing culture in some situations in the

banking system, which too often treats customers as a commodity and not as customers, which is really not good for the health of the economy. The question is this: what is the purpose of finance? We have got to get a grip and realise that the purpose of finance is to benefit the nation and not just a few.

Things are in pretty dire need of change, which is why Labour are committed to creating a more diverse banking system, backed up by legislation. A Labour Government would create a national investment bank, similar to the ones already operating in Germany and the Nordic countries, which will bring in private capital finance to deliver lending power. The national investment bank would also support a network of regional development banks that would be dedicated to promoting growth in their communities. The banks will deliver the finance that our small businesses, co-operatives and innovative projects desperately need, and in a trusting environment.

We need action now. We have had passion and anger, and quite rightly so, but what we need now is action. We need to put matters right as soon as we can. We do not need any more talk; we need action now. So, in that regard, I turn finally to the legislative process. As you know, Mr Hanson, a good deal of parliamentary time has been spent in talk and debate on these matters, and in talk and debate on other matters, which may be relevant for some people but are not relevant to the health of our economy, our banking sector and our businesses, including our SMEs.

So I make an offer to the Minister today, to help restore trust in the banking system. Yes, let us have a tribunal system; let us have a dispute resolution system; and let us have access to all those things. However, let us also have a tribunal system that we can all trust and believe in.

I give a commitment from the Labour party that if the Government want to set aside legislative time to put that tribunal into the system, they will have our full backing to do that, because we must take action now—not tomorrow, next week or next year. We must take action now.

3.9 pm

The Economic Secretary to the Treasury (John Glen):

It is a pleasure to serve under your chairmanship, Mr Hanson. I start by acknowledging the work of the all-party group and by thanking my hon. Friend the Member for Stirling (Stephen Kerr) and the hon. Member for East Lothian (Martin Whitfield) who secured this important debate. Members have spoken with conviction and passion about some banks behaving in an appalling fashion. I recognise that there are outstanding cases that have not been resolved to the satisfaction of their constituents. I will address some of the issues that need resolution by Government in my later remarks. First, I want to examine specific points raised by Members and then I shall go through what I have done since the previous debate and what I see happening to try to address the work of the APPG. Hopefully, that will give the House some clarity today.

The hon. Members for East Lothian and for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) referred to bank closures. It would not be right for us to have a debate on banking without addressing that important issue. I am aware that that is a concern for many Members. Obviously, closures are commercial decisions for the banks, taken by the management without intervention from the Government.

Drew Hendry: The Minister mentions commercial issues for the banks, but surely ownership of the bank, certainly such a large majority ownership, plays some part in the commercial process. Would it not have been correct for the UK Government to use the fact that they largely own the bank to make a decision to protect the people it is supposed to serve?

John Glen: I thank the hon. Gentleman for that intervention, but I will take the opportunity to correct him. The Government do not have a 70% shareholding. We have a 62.4% shareholding. We do not have control of the day-to-day running of the bank, in the same way that the Scottish Government do not have control of Prestwick Glasgow Airport, yet they have a complete shareholding in it. We need to be real. There is a difference between ownership and day-to-day control. I want to address the practical issues because our constituents want to know what is being done to deal with these challenges. Before I go into that, I want to acknowledge that in previous debates I was challenged by Members from constituencies in Scotland. I will visit Scotland for four or five days at the end of August during the recess to address specifically the issues around rural banking. I went to look at the mobile banking units of one of the banks in Derbyshire in the previous recess, and I take very seriously the concerns about how effectively they function in terms of support for disabled people.

Peter Dowd: What sort of message does it send to banks when all these closures are happening and in 2016 the Government decide to cut, for example, the banking levy from £3 billion to £1.3 billion, sequentially, year on year? The Minister can try to duck the issue, but he gives a bung to the banks while they close their branches, and that is not acceptable.

John Glen: I want to try to address our constituents' concerns about bank closures and what the Government are doing to see that their services are provided. The Post Office and the banking industry have a commercial agreement that enables 99% of the UK's personal and 95% of the UK's business customers to carry out their day-to-day banking. I am concerned about the effectiveness of that arrangement, so I am determined that public awareness of those services should be greater. I am pleased that UK Finance and the Post Office have responded to my call for further action, particularly when the last bank in town closes, to make sure that the transfer of responsibility—

Drew Hendry: Will the Minister give way?

John Glen: I will not keep giving way—I need to finish what I am saying. I will give way in a moment. Let me just finish this point.

The Government also support the industry's access to banking standards, overseen by the independent Lending Standards Board, which commits banks to better communicate with customers and those who need more help when a bank closes. I am not seeking to duck any issue and I look forward to further engagement on this matter.

Drew Hendry: I appreciate the Minister's giving way, and I appreciate that the issue is sensitive for many of us in rural constituencies. If the position is that the UK

Government do not brook any interference or intervening in commercial decisions, how can it be the case that the Minister is listing a number of interventions that he is about to make in a commercial situation?

John Glen: I was making it clear that, as a Minister, I do not make the operational day-to-day decisions about which individual branches should close. My responsibility is to see that consumers have access to the services they need, and I have done that through brokering the arrangement between UK Finance, which represents the banks, and the Post Office, which provides services when closures take place.

The hon. Member for East Lothian mentioned insolvency practitioners.

Kevin Hollinrake: The Minister is being very generous in giving way. He talks about the issues around bank closures. One of the things that banks are doing to substitute for bank availability is moving us all online, so we are transacting more online through apps and the like. Colleagues have written on behalf of constituents to the all-party group to tell us about authorised payments and online fraud. Yet the banks themselves and the Financial Ombudsman Service are attributing gross negligence to the customer, despite the fact that they have gone to some lengths to try to prevent fraud. For example, the person on the other end of the phone knows their password, their maiden name—a degree of information that would not make that giving away of information gross negligence, yet they are being disadvantaged, despite the fact that the banks have pushed them online.

John Glen: I am grateful to my hon. Friend for that intervention. The Payment Systems Regulator is doing a live piece of work to look at scamming and will report in September. It looks very much at culpability in such cases and I hope it will come up with a clear resolution that will give the public a better understanding.

If I may, given the luxury of additional time, Mr Hanson, I am going to try and reply to the points raised and then I will come on to substantive points. Insolvency practitioners are regulated by one of five recognised professional bodies. Legislation in 2015 introduced binding statutory objectives on these bodies, and the Insolvency Service has more sanctions available to it to deter and deal with poor conduct or performance. The insolvency code of ethics, raised through the Joint Insolvency Committee, is also expected to be revised and updated later this year, but I will be happy to enter into dialogue with the hon. Member for East Lothian about the specific issues and concerns that he has.

Martin Whitfield: On that point, does the Minister accept that there is an inherent conflict of interest in the situation whereby we have a bank, what I will call a limited company, and individual shareholders? We have the bank instructing the professionals who then deal with the company, and that less than virtuous circle leads to an almost inherent conflict of interest for professional groups: the lawyers, the accountants and the insolvency practitioners.

John Glen: I am happy to look carefully at the issues and the respective responsibilities and interaction between them that the hon. Gentleman raises. I fully accept the sensible point he makes.

[John Glen]

I want to return to the case raised by my hon. Friend the Member for Stirling. Several specific cases were raised and my hon. Friend spoke passionately about his constituent's case, which is illustrative of many of the experiences that sadly occur. Following my meeting, I received a letter from Ross McEwan in May that said that his complaints handling team would be happy to discuss constituency cases with Members. I encourage all Members to do so. I want to put this on the record. I particularly encourage my hon. Friend the Member for Stirling to raise his constituency case with the team. I am keen to understand what sort of response he gets and how satisfactory the process is.

As to the comments of the hon. Member for Bootle (Peter Dowd) about the sale of RBS shares, I am not one to enter into unnecessary partisanship in such discussions, because the issues are important, and I generally welcome the tone of the debate, but he must acknowledge that when the shares were purchased by the Government for £5.02 in 2008 it was not a rational economic choice. It was necessary for the Brown Government to secure the banking system. Therefore, to point out the difference in price, after the Government had taken advice from those who are stewards of the Government's interest, based on value for money, is not really rational. Most consumers would not have purchased shares at the time in question; it was for the good of the nation.

Peter Dowd: Okay, so if we push the bank aside and forget that, how does the Minister explain the loss to the taxpayer in the sale of the Post Office, which was another billion or two pounds—or is that irrelevant as well? How does he explain the reduction of 26% in corporation tax for banks and other corporations, to 19%, when people in the Gallery cannot get a penny out of the Government?

John Glen: I am glad that the hon. Gentleman has conceded the point on RBS. I want to focus on banks, and I was responding specifically on the matter of RBS.

I want to set out what the Government have done to address the issues that came to the fore during the financial crisis, because the regulatory framework and what has evolved over the past 10 years is a foundation for some of the outstanding challenges that we need to resolve. Since the crisis, the Government have reformed the UK system of financial regulation for the benefit of the industry and the people who rely on it. We have bolstered standards across the sector and taken strides to restore public trust in financial services. I acknowledge that there is more work to be done, and I shall come specifically to the issues raised in the report of the all-party group, and in other work. We have regulators armed with comprehensive powers and responsibilities co-operating to identify and address risks across the financial sector. The Financial Stability Board has praised the UK for its successful transition to a new regulatory regime, and the International Monetary Fund has applauded the UK's more resilient system. We have implemented reforms to improve individual accountability in the financial services sector, and that includes the introduction of the senior managers and certification regime, which promotes individual responsibility.

My hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) set out a list of individuals about

whom he has outstanding concerns; and it must be right to hold people to account. Where evidence exists for individuals having behaved criminally or in a way that needs further analysis, it must be brought forward. I understand that the shadow cast over the issue by outstanding cases needs to be resolved by the regulator. However, the SMCR promotes individual responsibility, holding senior managers to account for misconduct that occurs on their watch. It ensures that individuals at all levels can be held to appropriate standards of conduct. Both those things were key recommendations of the post-crisis Parliamentary Commission on Banking Standards. The SMCR was implemented for all banks, building societies, credit unions and Prudential Regulation Authority-designated investment firms in 2016. The regime will be extended to cover insurance firms from December 2018, and all other Financial Conduct Authority-regulated firms in December 2019.

I want now to talk about the core issue of SME lending. Despite significant improvements to the system at large, I am acutely aware that concerns remain about misconduct within the sector.

Kevin Hollinrake: The senior managers regime is important, but it will not be effective unless the regulators or law enforcement agencies investigate, speak to victims, find out exactly what has gone on, establish the evidence and take prosecutions forward where guilt is demonstrated.

John Glen: I agree, and will discuss the implications of that.

Many of the concerns that are raised relate to small businesses—sometimes microbusinesses, and sometimes individuals who have been working hard, with a perfectly solid relationship with their bank. Those businesses form the backbone of our economy, as several hon. Members have said this afternoon, and there has been justified anger, both within Parliament and beyond, about Global Restructuring Group at RBS, HBOS Reading and the mis-selling of interest rate hedging products. The case of GRG, and other cases from the crisis period, are unacceptable and I will continue to push for action. I shall explain what is happening.

I mentioned at the Backbench Business debate in May that the chief executive of RBS had committed to modifying the GRG compensation scheme. RBS will set up an independent appeal process for consequential loss claims. I acknowledge that the hon. Member for Inverness, Nairn, Badenoch and Strathspey mentioned that in his speech. I shall discuss with Sir William Blackburne how that process will operate when we meet next week. I understand the concerns about the need for it to work effectively. As has been mentioned, the assessment of consequential loss is a tricky issue, and I need to be sure that the process will be expedited as well as possible.

Treasury officials receive regular updates from RBS on the compensation scheme, and I am glad that progress is being made on direct loss claims, with a further 200 complaints closed and a further £4 million paid out since the last debate in May.

Kevin Hollinrake: No one suggests that Sir William Blackburne at RBS or Professor Griggs at Lloyds are not decent people, trying to do the right thing, but is not the concern the fact that the compensation schemes are internal? It is not enough for justice to be done; it must be seen to be done.

John Glen: I am happy to keep taking interventions, but I am getting to the points that are raised. I would like some flow in what I am trying to say.

I remind hon. Members that what happened at HBOS Reading was criminal behaviour—beyond unacceptable. It is right and just that six people have been convicted, and that they are serving more than 47 years in prison. In March 2017, following the conclusion of the criminal investigation, Lloyds set aside £100 million for compensation payments to 64 victims, and Russel Griggs was hired to review individual cases. Professor Griggs's recent letter to the Treasury Committee set out that 170 offers have been made to affected directors, ranging from less than £100,00 to more than £5 million. In addition, Lloyds Banking Group has appointed Dame Linda Dobbs as an independent legal expert to consider whether issues relating to HBOS Reading were investigated and appropriately reported to authorities at the time by Lloyds Banking Group, following its acquisition of HBOS.

The FCA continues to conduct investigations into both RBS GRG and HBOS Reading. It cannot be the case—I made this point when I met Andrew Bailey, the chief executive of the FCA—that we allow those institutions to arbitrate on outcomes when there are significant outstanding and unresolved issues. I was pleased to hear that the FCA is likely to conclude whether there is any basis for enforcement action in the matter of GRG by the end of this month, in line with the indication that I gave on 10 May. I look forward to the conclusion of that investigation and the investigation of misconduct at HBOS Reading.

My hon. Friend the Member for Thirsk and Malton and others were right to say that these matters will not go away. In a characteristically passionate speech, my hon. Friend the Member for Beckenham (Bob Stewart) set the expectation that the matter should be resolved. I have been in this job for nearly seven months and have responded to three or four debates on the topic; I expect there will be more, because more needs to be done. We understand how important it is that SMEs have access to the dispute resolution with banks that they need.

I am glad that there are four pieces of work looking at that matter, as I mentioned at the report's launch yesterday evening. The FCA is currently consulting on expanding eligibility for the Financial Ombudsman Service. I acknowledge the points made and the concerns about resourcing and sufficiency in that regard; they will need to be addressed. Richard Lloyd is reporting today on his independent review into the workings of the Financial Ombudsman Service, which was stimulated by the excellent work of the journalists for "Dispatches". That review includes several recommendations, and the FOS intends to publish an update on the progress made by the end of the year.

UK Finance is also reviewing the access of SMEs to dispute resolution. There is a lot of expectation that UK Finance, as the representative of the four big banks, will respond thoroughly to some—I hope, all—of those issues. We need to find binding and enduring solutions to the issues that have been raised. Last night, the APPG published its work into the options for an independent financial services dispute mechanism. Those four strands of work will come together in the autumn, and the Government will consider them in the round.

I also want to respond to the point raised by several hon. Members, in particular the hon. Member for Thirsk and Malton, and say that the Government are determined

to ensure that financial markets work effectively for SMEs and to enable competition in the market. Since the Government set up the Prudential Regulation Authority in 2013, it has authorised 16 new UK banks, but I acknowledge that those banks are nowhere near challenging the four biggest banks in scale and size. There is work to be done to examine how that can change, so there is greater competition in the sector.

On lending specifically, the British Business Bank's programmes support more than £4.6 billion of finance to more than 70,000 smaller businesses through programmes such as the ENABLE guarantee, which encourages banks to increase their lending to SMEs by helping to reduce the amount of capital that banks are required to hold against such lending.

I acknowledge the work of the regulators in seeking to ensure that the banking system is stronger, safer, and better placed to support the wider economy than ever before. Some of the Government's actions are leading to that outcome. I am aware, however, of the outstanding concerns that hon. Members have expressed. I look forward to responding publicly to the various pieces of work that address dispute resolution for SMEs in the autumn. Given that the report was published only yesterday, and that there are some significant ongoing parallel strands of work that are nearly completed, it is reasonable for me to wait to do so. I hope that will move the debate forward to a resolution that we and our constituents can have greater confidence in.

We need a banking sector in this country that enables lending, prosperity and growth in our economy, and when things go wrong we need to know that the resolution process will not be random, complicated and legally tortuous. Where we have legitimate examples of behaviour by banks that involves, or involved, malicious proactive interventions that were not justified on economic grounds, they need to be examined until they are resolved, so we can move forward with a more reliable system of regulating this vital sector of our economy.

3.33 pm

Martin Whitfield: I thank the Backbench Business Committee again for facilitating this debate. To pick up on the point about the anger that is felt across both sides of the House, the relatively small number of speakers in the debate in no way reflects the deep, passionate anger, annoyance and empathy that MPs feel for their constituents who have been victims. It is incredibly telling, and it is with huge respect, that we welcome so many people to the Public Gallery to witness this debate, which reflects one small part of this whole United Kingdom.

I thank the Minister for his thoughtful comments, and I extend an invitation to visit East Lothian and meet people who can give a different side, perhaps, of what suffering under the banks is like. The timetable that takes us to the autumn has been reiterated, and we will be back at that stage. The APPG's excellent report proposes a tribunal, and puts on the table an option of facilitating primary legislation that could achieve that in the near future. That would be a significant step towards showing the public that we in this place understand their pain and have a proposal to put it right.

Question put and agreed to.

Resolved,

That this House has considered failures in the banking sector.

3.35 pm

Sitting adjourned.

Written Statements

Thursday 12 July 2018

TREASURY

ECOFIN

The Chancellor of the Exchequer (Mr Philip Hammond):

A meeting of the Economic and Financial Affairs Council (ECOFIN) will be held in Brussels on 13 July 2018. The Council will discuss the following:

Early morning session

The Eurogroup President will brief the Council on the outcomes of the 12 July meeting of the Eurogroup, and the European Commission will provide an update on the current economic situation in the EU.

VAT: generalised reverse charge mechanism and e-publications

The Council will hold an exchange of views on proposals to allow member states to temporarily apply a VAT generalised reverse charge mechanism, and proposals to allow member states to apply non-standard rates of VAT to e-publications.

Current financial services legislative proposals

The Austrian presidency will provide an update on current legislative proposals in the field of financial services.

Presidency work programme

The Austrian presidency will present its work programme on economic and financial matters for July to December 2018, followed by an exchange of views.

June European Council follow-up

The Council will hold an exchange of views on the follow-up to the European Council of 28 and 29 June 2018.

G20 meeting

The Council will be invited to approve the EU terms of reference for the G20 meeting of finance ministers in Buenos Aires on 21 and 22 July.

[HCWS855]

Pensions Cold Calling Ban

The Economic Secretary to the Treasury (John Glen):

I have today laid before Parliament a ministerial statement to set out Government progress on the ban on pensions cold calling, as required under the Financial Guidance and Claims Act 2018.

Pensions cold calling is an important and complex issue. Pensions scams can have devastating consequences and cold calling is the most common method used to initiate pensions scams, so the Government have taken the time to ensure the ban works for consumers. The Government will imminently publish a consultation seeking views on a set of draft regulations to ban pensions cold calling. Once we have considered all responses to the consultation, in the autumn we intend to lay regulations under the affirmative procedure and subject to parliamentary approval bring the regulations into force as soon as possible thereafter.

[HCWS854]

DIGITAL, CULTURE, MEDIA AND SPORT

Media Matters

The Secretary of State for Digital, Culture, Media and Sport (Jeremy Wright):

Having taken over as the Secretary of State with responsibility for media public interest cases, I have reviewed the process regarding the proposed merger between 21st Century Fox (21CF) and Sky Plc (Sky). I am content that DCMS and the relevant parties have ensured a scrupulously clear, fair and transparent process and I can now therefore inform the House of the final decisions made by my predecessor as Secretary of State. These decisions were made in a quasi-judicial capacity.

On 5 June, *Official Report*, column 194, the previous Secretary of State made a statement to the House in which he set out his decision in relation to the proposed merger.

He announced that, having considered the Competition and Markets Authority's (CMA) report, he agreed with their findings on the public interest grounds and their finding that undertakings to divest Sky News to The Walt Disney Company (Disney) or to an alternative suitable buyer could potentially remedy the public interest concerns identified.

Following the completion of discussions with the parties, on 19 June he published a consultation on the undertakings offered by 21 CF along with new undertakings offered by Disney for the divestment of Sky News to Disney and several associated documents.

We received five responses to the consultation, which closed on 4 July. These responses will be published today on the DCMS website, along with the Government's response to the consultation.

Having considered the responses to the consultation, the previous Secretary of State agreed with the parties a clarificatory change to Disney's undertakings and changes to the associated brand licensing agreement. In response to specific concerns raised by respondents, he also agreed that where appropriate the Secretary of State will consult with the CMA in relation to these undertakings and will publish the formal written advice given by the CMA. I am content to confirm this position.

The final version of the undertakings have been published along with the other relevant documents on the DCMS website.

The publication of the undertakings marks the final stage of the public interest consideration of this case. It is right that Ofcom, the CMA and my Department have taken such care in ensuring the bid is properly and effectively scrutinised. It is now a matter for the Sky shareholders to decide whether to accept 21 CF's bid.

[HCWS852]

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Agriculture and Fisheries Council

The Minister for Agriculture, Fisheries and Food (George Eustice): The Agriculture and Fisheries Council will take place on 16 July in Brussels.

As the provisional agenda stands, the main agricultural item will be a presentation by the Commission on the common agricultural policy (CAP) post 2020, followed by an exchange of views. Council will discuss three regulations during this item: a regulation on CAP strategic plans; a regulation on financing, management and monitoring of the CAP; and a regulation on common market organisation of agricultural products.

There will also be a presentation by the presidency on its work programme.

[HCWS844]

FOREIGN AND COMMONWEALTH OFFICE

British Council Annual Report

The Minister for Asia and the Pacific (Mark Field): Copies of the British Council's annual report and accounts for the 2017-18 financial year have been placed in the Libraries of both Houses.

The British Council is the UK's international organisation for cultural relations and educational opportunities and it makes a significant contribution to projecting British values overseas. In doing so it makes a lasting difference to the UK's security, prosperity and influence. It is the world's leading cultural relations organisation, reaching over 758 million people in over 100 countries in 2017-18. This included 14 million face-to-face participants in British Council programmes, 42 million customers using British Council digital social media and learning products and 19 million visitors to British Council exhibitions. It is a significant driver of UK soft power.

The Council received £168 million grant-in-aid from the FCO in 2017-18. The FCO is committed to continuing its support of the British Council's excellent work. The FCO has protected the British Council's budget and has increased its overall grant over the current spending review period. It has also recently agreed to provide additional funding in this period specifically to support the British Council's work in Europe and in the developed world.

The report can also be found at the British Council's website www.britishcouncil.org.

[HCWS847]

Foreign Affairs Council

The Minister for Europe and the Americas (Sir Alan Duncan): The FAC will be chaired by the High Representative of the European Union (EU) for Foreign Affairs and Security Policy (HRVP), Federica Mogherini. The meeting will be held in Brussels. The FAC will discuss current affairs, the Democratic People's Republic of Korea (DPRK), the Eastern Partnership and Libya. UK attendance is still to be confirmed.

DPRK

Ministers will discuss developments on the Korean peninsula, including the summit between President Trump and Kim Jong Un in Singapore on 12 June. The UK continues to view economic and political pressure as the best leverage to keep Kim Jong Un engaged in negotiations

with the US and to ultimately achieve the complete, verifiable and irreversible denuclearisation of the Korean peninsula. We will work with partners to ensure the EU remains united in its support for US diplomatic efforts and continues to maintain pressure on the DPRK until it takes concrete steps to denuclearise.

Libya

Libya will be on the agenda for the first time since January. Ministers will discuss the United Nations (UN)-led political process, and ongoing efforts to create the conditions for credible elections before the end of the year, in line with the UN action plan. We will continue to emphasise the need for Libyan leaders to agree on an appropriate package of political, economic and security measures in order to ensure that elections are credible and enjoy broad support. The discussions are also likely to cover recent events in the eastern "Oil Crescent" area of Libya, and the need to ensure that oil facilities remain under the control of the legitimate Libyan National Oil Corporation. We will underline the need for continued united international support for a political solution in Libya. The discussion may also focus on the need to tackle the shared challenge of migration, including how to protect the most vulnerable from exploitation.

Eastern Partnership

Ministers will discuss the Eastern Partnership ahead of the October ministerial. The FAC will assess progress against the "20 Deliverables for 2020" which were set out in 2016. The UK supports the objectives of the Eastern Partnership and will continue to do so after leaving the EU. The UK's priorities within the "20 Deliverables for 2020" include security, good governance and economic development, underpinned by effective use of strategic communication. The UK will reiterate these priorities at the FAC and call for greater co-operation between member states in countering hybrid threats and disinformation.

Council conclusions

The FAC is expected to adopt conclusions on the International Criminal Court (ICC).

[HCWS845]

HOME DEPARTMENT

Serious and Organised Crime: HMI of Constabulary and Fire and Rescue Services Report

The Secretary of State for the Home Department (Sajid Javid): The National Crime Agency was established to lead the fight against serious and organised crime. It has the power to task other law enforcement partners and a capability, with local to international reach, to disrupt the impact of serious and organised crime on the UK.

This is the fourth HMI inspection of the NCA. It examined the efficiency and effectiveness of the national tasking and co-ordination process and the related arrangements of the strategic governance groups.

This report has been published today and I will place a copy of the report in the Library of the House. I have asked HMI to publish this report on my behalf and it is available online at www.justiceinspectors.gov.uk.

The report finds that the NCA has efficient and effective practices in place to support its role in the tasking, co-ordination and governance of serious and organised crime. Current arrangements are generally working well, although there are areas in which the NCA, alongside police and other law enforcement agencies need to improve as set out in the 11 recommendations they made.

It is for the director general to respond to these recommendations, in line with the requirements of the Crime and Courts Act 2013.

[HCWS849]

Immigration

The Secretary of State for the Home Department (Sajid Javid): Following a recent strike by university lecturers, a number of hon. Members have raised concerns about the position of migrant workers who engage in legal strike action and whether this affects their immigration status.

It is not the Government's policy to prevent migrant workers from engaging in legal strike action and, to date, I am not aware of any case where a migrant worker has had their leave curtailed, or been removed, as a result of having engaged in legal industrial action. However, to put the matter beyond doubt, I will be making changes to the guidance and immigration rules for migrant workers (under the tier 2 and 5 immigration routes) and their sponsors.

The specific change will add legal strike action to the list of exceptions to the rule on absences from employment without pay for migrant workers. It will make it clear that there will be no immigration consequences for any migrant worker who takes part in legal strike action in the same way that a migrant worker is not disadvantaged if they take maternity or paternity leave.

This will ensure that non-EEA migrants can take part in legal industrial action along with their British and European colleagues.

The changes to the sponsor guidance will be made shortly and amendments to the immigration rules will be made at the next available opportunity in the autumn.

[HCWS848]

Terrorism Prevention and Investigation Measures: March-May 2018

The Secretary of State for the Home Department (Sajid Javid): Section 19(1) of the Terrorism Prevention and Investigation Measures Act 2011 (the Act) requires the Secretary of State to report to Parliament as soon as reasonably practicable after the end of every relevant three-month period on the exercise of his TPIM powers under the Act during that period.

The level of information provided will always be subject to slight variations based on operational advice.

TPIM notices in force (as of 31 May 2018)	8
TPIM notices in respect of British citizens (as of 31 May 2018)	7
TPIM notices extended (during the reporting period)	0
TPIM notices revoked (during the reporting period)	0
TPIM notices revived (during the reporting period)	0

Variations made to measures specified in TPIM notices (during the reporting period)	10
Applications to vary measures specified in TPIM notices refused (during the reporting period)	7
The number of current subjects relocated under TPIM legislation (as of 31 May 2018)	8

The TPIM Review Group (TRG) keeps every TPIM notice under regular and formal review. The TRG meetings took place on 5, 7, 8, 12 and 14 March 2018. The next round of TRG meetings took place in June and July 2018.

One individual has been charged with breach of his TPIM notice. The criminal trial has yet to be heard.

[HCWS851]

Terrorism Prevention and Investigation Measures: December 2017-February 2018

The Secretary of State for the Home Department (Sajid Javid): Section 19(1) of the Terrorism Prevention and Investigation Measures Act 2011 (the Act) requires the Secretary of State to report to Parliament as soon as reasonably practicable after the end of every relevant three-month period on the exercise of his TPIM powers under the Act during that period.

The level of information provided will always be subject to slight variations based on operational advice.

TPIM notices in force (as of 28 February 2018)	8
TPIM notices in respect of British citizens (as of 28 February 2018)	7
TPIM notices extended (during the reporting period)	1
TPIM notices revoked (during the reporting period)	0
TPIM notices revived (during the reporting period)	1
Variations made to measures specified in TPIM notices (during the reporting period)	6
Applications to vary measures specified in TPIM notices refused (during the reporting period)	1
The number of current subjects relocated under TPIM legislation (as of 28 February 2018)	8

The TPIM Review Group (TRG) keeps every TPIM notice under regular and formal review. TRG meetings took place on 4, 6, 11, 12 and 14 December 2017. The next round of TRGs took place during March 2018.

[HCWS850]

JUSTICE

Justice Update

The Parliamentary Under-Secretary of State for Justice (Lucy Frazer): I wish to inform the House that I have decided to lay an amendment to the Legal Aid, Sentencing and Punishment of Offenders Act 2012 to bring immigration matters for unaccompanied and separated children into scope of legal aid.

Under current legislation, legal aid is available in all asylum cases—for all age groups—and immigration cases where someone is challenging a detention decision. Legal aid for other immigration matters is available via

the exceptional case funding (ECF) scheme, which is intended to ensure legal aid is accessible in all cases where there is a risk of breach of human rights.

Following a judicial review brought by the Children's Society, we have examined both the evidence presented as part of the case and our data on applications for funding. Based on the distinct nature of the cohort in question, and of our data regarding them, I have decided to bring these cases into the scope of legal aid to ensure access to justice.

The amendment will be laid in due course following discussion across Government and with external stakeholders.

[HCWS853]

WORK AND PENSIONS

Child Maintenance Compliance and Arrears Strategy

The Parliamentary Under-Secretary of State for Work and Pensions (Justin Tomlinson): Later today I intend to lay the draft Child Support (Miscellaneous Amendment) Regulations 2018 detailed in "The Child Maintenance Compliance and Arrears Strategy" consultation response,

which will be published on gov.uk later today and the primary effect of which will be the introduction of new powers to:

Vary a child maintenance liability by calculating an assumed income from certain high-value assets.

Extend our existing ability to deduct maintenance and arrears directly from bank accounts, to include joint and business accounts.

Prevent a paying parent from holding or obtaining a passport where all other enforcement action has proved ineffective.

Provide clarity for families about the treatment of the historic arrears that built up on child support (CSA) cases, by:

Seeking representations from clients in cases with non-paying CSA debt about whether we should make a last attempt to collect the debt, where it is cost-effective to do so. Where no representations are received, or collection of the debt is not possible, the debt may be written off.

Writing off non-paying debt where a collection attempt is not cost-effective, and informing clients of this.

Writing off non-paying debt under £65 without notifying clients.

Enable debt subject to sequestration (Scottish insolvency) to be written off when the sequestration expires. This technical amendment will apply to both CSA and CMS cases, as sequestration causes this debt to become legally uncollectable.

These draft regulations are subject to the affirmative procedure and I look forward to discussing them with colleagues in due course.

[HCWS846]

Petitions

Thursday 12 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 residents of Stone 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 William Cash.*]

[P002208]

The petition of residents of Cheltenham 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 Alex Chalk.*]

[P002209]

The petition of residents of Eddisbury 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 Antoinette Sandbach.*]

[P002200]

The petition of residents of Romsey and Southampton North 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.]

[P002201]

The petition of residents of Weston-super-Mare,

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 John Penrose.*]

[P002202]

OBSERVATIONS

HEALTH AND SOCIAL CARE

Alexandra Hospital Redditch Urgent Care Centre

The petition of residents of Redditch County,

Declares that as part of the consultation into Acute services in Worcestershire in 2017 which saw overnight paediatric care centralised at the Worcestershire Royal Hospital, the local Clinical Commissioning Group (CCG) promised to bring forward plans for a GP-led urgent care centre in Redditch; further that was understood to be an essential part of the proposed model for Acute services which was brought before the West Midlands Clinical Senate and the boards of the three local CCGs; however there is still no timetable for delivery of the urgent care centre; further that once the children's A&E was centralised to Worcester, residents were told there would be an urgent care service for under 16-year-old very sick children provided at the Alexandra Hospital in Redditch; and further that would give parents peace of mind that their loved ones would be assessed, in a place familiar to them, especially for those who have difficulty travelling to Worcester.

The petitioners therefore request that the House of Commons urges the Government to press the local health authorities in Redditch and Worcester to publish their detailed plans for the implementation of the said urgent care centre.

And the petitioners remain, etc.—[Presented by Rachel Maclean, *Official Report*, 23 May 2018; Vol. 641, c. 956.]

[P002150]

Observations from the Minister for Health (Stephen Barclay):

The proposed reconfigurations under the acute service review took place under emergency measures over the previous two years (Maternity, Paediatrics and Acute Surgery). Our understanding is that the only aspect that has not yet been implemented is the urgent care centre proposal for the Alexandra hospital site in Redditch.

South Worcestershire CCG is currently working through the detail of the national guidance that has been issued with regard to urgent care centres, prior to commissioning a revised model for the Alexandra hospital site. The CCG is aiming for the centre to be open by December 2018. We would urge the CCG to publish any additional plans for implementation as soon as is possible, to ensure the local population are kept up to date with plans and progress.

The CCGs are currently in the process of scoping out a range of options for the operational approach to the development of the UTC, including how it best interfaces with other local services such as the primary care out of hours services also based at the Alexandra Hospital and Neighbourhood Teams within the local community.

Rather than children being seen by A&E professionals, the UTC at the Alexandra Hospital will provide access to a primary care professional who will be experienced in treating a broad range of child health conditions. If a child was poorly enough to require admission to hospital, then they would need to be transferred to either Worcester or Birmingham.

For clarification, urgent treatment centres encapsulate urgent care centres; there has been a change of terminology designed to prevent confusion. More information on this change can be found here: <https://www.england.nhs.uk/urgent-emergency-care/urgent-treatment-centres/>.

Ministerial Corrections

Thursday 12 July 2018

DEFENCE

Royal Fleet Auxiliary: Fleet Support Ships

The following is an extract from Defence questions on 9 July 2018.

Andrew Bridgen: Will the Minister confirm that any weaponry installed on the fleet support ships will be procured from British companies?

Guto Bebb: My hon. Friend is absolutely right. The weapons element of any ship that is not designated as a warship will be procured from the United Kingdom and fixed on to the platforms in the United Kingdom.

[Official Report, 9 July 2018, Vol. 644, c. 687.]

Letter of correction from Guto Bebb:

An error has been identified in the response I gave to my hon. Friend the Member for North West Leicestershire (Andrew Bridgen).

The correct response should have been:

Guto Bebb: The weapons element of any ship that is not designated as a warship will be **supplied to meet that ship's specific requirement** and fixed on to the platforms in the United Kingdom.

TRANSPORT

Transport Infrastructure

The following is an extract from Transport questions on 5 July 2018.

Mark Menzies (Fylde) (Con): I have a wonderful piece of transport infrastructure in my constituency called Blackpool airport. Will the Secretary of State tell me what steps will be taken to ensure that with a third runway at Heathrow, we will see improved connectivity to my part of the north-west?

Chris Grayling: This is why I am committed to saying that the 15% of slots set aside for regional connections are set in stone. We are not going to see those suddenly disappear from 15% to 10% to 5%, with routes diverted elsewhere. The expansion of Heathrow is a really important part of delivering improvements right around the United Kingdom, and I am committed to making sure that happens.

[Official Report, 5 July 2018, Vol. 644, c. 476.]

Letter of correction from Chris Grayling:

An error has been identified in the response I gave to my hon. Friend the Member for Fylde (Mark Menzies).

The correct response should have been:

Chris Grayling: As per my previous response to the hon. Member for Brentford and Isleworth (Ruth Cadbury), I am committed to saying that **around** 15% of slots set aside for regional connections are set in stone. We are not going to see those suddenly disappear from 15% to 10% to 5%, with routes diverted elsewhere. The expansion of Heathrow is a really important part of delivering improvements right around the United Kingdom, and I am committed to making sure that happens.

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