

**Wednesday
14 November 2018**

**Volume 649
No. 205**



**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Wednesday 14 November 2018

House of Commons

Wednesday 14 November 2018

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

CABINET OFFICE

The Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office was asked—

Postal Voting System

1. **John Grogan** (Keighley) (Lab): What recent assessment he has made of the integrity of the postal voting system in local and national elections. [907572]

The Parliamentary Secretary, Cabinet Office (Chloe Smith): The British public deserve to have confidence in our democracy, and the Government are committed to ensuring that our electoral system, including postal voting, is fit for the future. Next year, Peterborough and Pendle will pilot improvements to the security of postal voting. The Electoral Commission's evaluation of some similar 2018 pilots was published in July.

John Grogan: Does the Minister acknowledge that the combination of postal voting on demand in Great Britain, but not in Northern Ireland, and large extended family networks sometimes gives rise to accusations of undue influence? What safeguards can be put in place?

Chloe Smith: I would condemn any such undue influence, and I suspect that the hon. Gentleman and I agree on that wholeheartedly. It is really important that postal voters are aware that their vote is theirs alone. That was the subject of a major awareness campaign at past local elections, and we hope to see similar again.

Bob Blackman (Harrow East) (Con): Will my hon. Friend examine what happened at the local elections last year, particularly those in London? Large numbers of voters were added to the register, had postal votes and then disappeared off the electoral register very soon afterwards. There are clearly potentially fraudulent activities at work.

Chloe Smith: I would certainly expect returning officers to look into that carefully, and I would support them in their efforts to do so. It is difficult for me to make any more detailed comments on that from the Dispatch Box,

but in general terms we certainly wish to keep the postal voting process secure and safe and to ensure that that process contributes to the overall integrity of our elections.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Will the Minister assure the House that if there is an early general election, our postal vote system is robust enough and able to cope?

Chloe Smith: Yes, but I do not expect it to have to.

Sir David Evennett (Bexleyheath and Crayford) (Con): Does the Minister share my view that strengthening the integrity of the postal voting system will ensure that our electoral system is fit for the future?

Chloe Smith: Yes, I do, which is why I refer again to the pilots that I mentioned in my first answer. They will be important to give voters reassurance and confidence that our system is doing what we expect it to do and thus that our elections overall are secure.

Mr Gregory Campbell (East Londonderry) (DUP): Does the Minister accept that we must ensure that there is no repeat of what happened in the most recent election in Northern Ireland, where, because the proxy and postal vote system did not require people to produce photographic ID, there was a 600% increase in such voting in one constituency, resulting in a perversion of democracy?

Chloe Smith: I am happy to take a closer look at the figure that the hon. Gentleman cites and the specifics of that case. I mention again the pilots that we have tested in 2018 and that will run again in 2019, which are about helping voters to be confident that the whole system—not only postal and proxy voting but the rest of the electoral system—is secure, by means of looking into ways for voters to identify themselves and show that they are who they say they are.

Chris Green (Bolton West) (Con): Eric Pickles's report "Securing the ballot" suggested that postal ballot applications should have to be made every three years. Is my hon. Friend looking into that suggestion?

Chloe Smith: I am grateful to Sir Eric Pickles, as was—

Chris Green: Lord Pickles, now.

Chloe Smith: Indeed. I am grateful to Lord Pickles for his report and his work, and we are looking carefully at the huge majority of his recommendations and taking them forward wherever we can.

Infected Blood Inquiry

2. **Mike Amesbury** (Weaver Vale) (Lab): What assessment he has made of the progress of the infected blood inquiry. [907573]

7. **Jeff Smith** (Manchester, Withington) (Lab): What assessment he has made of the progress of the infected blood inquiry. [907578]

The Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office (Mr David Lidington): The inquiry has now completed its preliminary hearings and plans to start its formal public hearings at the end of April 2019. Between now and then, the inquiry will hold public meetings in 18 places throughout the United Kingdom to enable people who have been affected or infected to express their views to the inquiry team. The inquiry has appointed 1,289 core participants, of whom 1,272 are people who have been either infected or affected by contaminated blood.

Mike Amesbury: What steps will the Minister take to repair the damaged relationship with those infected, whose confidence in the Government has been undermined by the fiasco around their entitlement to legal aid and now by the failure of the Cabinet Office to swiftly notify Departments not to destroy relevant files?

Mr Lidington: As far as legal aid is concerned, more than £250,000 has been provided to those affected by this scandal to help them pay for their legal representation. As regards the other matter that the hon. Gentleman mentioned, this was an honest mistake caused by an administrative error. We explained that in full in the form of a written statement to the House and apologised to the inquiry as soon as it was discovered. All Departments, other than the Legal Aid Agency and the Courts and Tribunals Service, have now confirmed that no relevant records were destroyed during the relevant period.

Jeff Smith: Last month, the chair of the inquiry, Sir Brian Langstaff, said that many victims of the infected blood scandal are still living on the headline today. The inquiry is not due to look at financial support until 2020, so what more now can the Government do to help the people affected?

Mr Lidington: As the hon. Gentleman knows, different compensation packages have been agreed by the Department of Health and Social Care in the different parts of the United Kingdom. Sir Brian did ask the Government to look at the case for some additional measures, which are being considered by the Secretary of State for Health and his ministerial team, and the Minister responsible for mental health, my hon. Friend the Member for Thurrock (Jackie Doyle-Price), is very willing to talk to the inquiry team about that.¹

Sir Oliver Heald (North East Hertfordshire) (Con): The very comprehensive nature of this inquiry is important, and it is also important that it should have a timeframe that is kept to. Is my right hon. Friend able to give us any idea whether the timetable is still robust and when we can expect to see a final report?

Mr Lidington: As my right hon. and learned Friend will know, it is a matter for the independent chair of the inquiry to determine its duration. In my conversations with Sir Brian, he has always been very clear that he does not want this inquiry to drag out; he wants to get justice and a clear outcome for the survivors and the victims, and he will be striving to secure that objective.

Antoinette Sandbach (Eddisbury) (Con): A number of my constituents are affected by this scandal and have waited for decades for answers on how it was allowed

to happen. Will my right hon. Friend ensure that Members are updated about where those meetings outside London are held so that we can keep our constituents informed and get the maximum participation?

Mr Lidington: I do have a list, but rather than read it out now perhaps I can write to my hon. Friend and place a copy of it in the Library so that all Members know where those meetings will be taking place.

Diana Johnson (Kingston upon Hull North) (Lab): May I suggest to the Minister that one measure that he could take quite quickly is to level up all the payments that those who are infected and affected receive? There is a variation around the United Kingdom at the moment because of devolution, and such a move would go a long way to show good faith to this community.

Mr Lidington: The hon. Lady has always been the most ardent champion of those who have been affected by this scandal, but it is the legal and constitutional position that each part of the United Kingdom is responsible for its own compensation scheme, which reflects the devolution settlement as regards health policy.¹

Tom Pursglove (Corby) (Con): Will my right hon. Friend say a little bit more about the role that those who have been affected by this tragedy will have in setting the terms and the scope of the inquiry? I particularly raise this because of the issue of access to treatment, which is something that I have regularly raised and that I think should be explored.

Mr Lidington: That issue is certainly one that I know Sir Brian and the inquiry team want to examine and call evidence on. People who have been directly affected have had opportunities at the preliminary hearings to express their views. More than 1,200 of them have now been appointed as core participants and the forthcoming public meetings will give them a further chance to make sure that their views are indeed heard. Sir Brian is determined that that will be the case.

Cyber-security

3. **Leo Docherty (Aldershot) (Con):** What steps the Government are taking to help improve the cyber-security of public and private sector organisations. [907574]

The Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office (Mr David Lidington): Our world-leading national cyber-security strategy, supported by £1.9 billion of investment, sets out measures to defend our people, businesses and assets, to deter our adversaries and to develop the skills and capabilities that we need.

Leo Docherty: I am grateful for that response. Does my right hon. Friend agree that a sovereign capability is very important when it comes to cyber-security and that, when Government contracts are awarded, British companies, especially small and medium-sized enterprises, should be given preference?

Mr Lidington: Where national security interests are at stake, exceptions can be made to the normal rules on public procurement, as my hon. Friend knows. The other thing that we need to do is drive up standards

1. [Official Report, 20 November 2018, Vol. 649, c. 7MC.]

1. [Official Report, 20 November 2018, Vol. 649, c. 8MC.]

among all Government suppliers, large and small, and that is something where we have an active programme of work.

Ian C. Lucas (Wrexham) (Lab): A Wrexham constituent was concerned that a cyber-security breach at his business was being dealt with from central London and was very disappointed with the responsiveness of the authorities when the breach was reported. Will the Minister do more to ensure that people understand where cyber-security breaches are investigated and improve the system?

Mr Lidington: I am happy to look into the case of the hon. Gentleman's constituent. I encourage all businesses and third sector organisations to look at the materials available on the website of the National Cyber Security Centre, because it includes plenty of evidence about best practice in improving cyber-security for large and small organisations.

Alex Chalk (Cheltenham) (Con): Cheltenham is a national centre of cyber-security because of its strength at GCHQ. Does my right hon. Friend agree that T-levels will help us to remain ahead of the curve in ensuring that we have a rich and deep pipeline of talent?

Mr Lidington: T-levels will indeed be an important contribution to improving this country's skills in cyber-security, and I am pleased that Education Ministers have identified the digital T-level as one of the first to be rolled out in 2020.

Jo Platt (Leigh) (Lab/Co-op): We heard last week that there is an estimated shortage of 50,000 cyber-specialists in the UK—estimated because, unbelievably, the Government have not made any assessment of their own. The Government's immediate impact fund, designed to quickly increase the number and diversity of cyber-specialists, is helping just 170 people, only 28% of whom are women. Does not this prove that this Government are failing at the first hurdle when it comes to keeping this country safe and bolstering our cyber-resilience?

Mr Lidington: No. The hon. Lady made a point about women cyber-security specialists. It is true that only about a 10th of cyber-professionals anywhere in the world are women. That is why the Government this year launched the CyberFirst Girls competition, which is getting more teenage girls actively interested and involved. That is the way to help develop further cyber-skills in our workforce.

Cyber-specialist Vacancies

4. **Conor McGinn** (St Helens North) (Lab): What estimate he has made of the number of cyber-specialist vacancies across all Departments. [907575]

The Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office (Mr David Lidington): Departments are responsible for ensuring that adequate staffing levels are met. As part of the national cyber-security strategy, we have newly established a Government security profession unit to support Departments in quantifying and managing their cyber-skills gaps and in building career pathways for specialists.

Conor McGinn: In July, the Joint Committee on the National Security Strategy criticised the Government for not properly addressing the cyber-security skills and recruitment gap, which it said is of vital importance to Britain's defence and economy; but today the Minister still cannot tell how many of these specialist role vacancies exist across the Government. When will the Department tasked with upholding cyber-security standards make this tier 1 national security threat a priority?

Mr Lidington: The Committee praised what the Government had done, but, as the hon. Gentleman says, it also said that we needed to do more. I do not dissent from that conclusion. Indeed, the Government made that clear in their response to the Committee's report. It is important that every Department feels ownership of cyber-security; it is not something seen as for the centre only to worry about. The profession framework, which will be outlined in the spring of next year, will run right across the Government and will outline the job families for specialists and the pay, rewards and career progression that they should be able to expect anywhere in the Government. [*Interruption.*]

Mr Speaker: The Minister was offering a serious and comprehensive reply to which there was a less than attentive audience, which is perhaps a tad discourteous. Let us have some order in the Chamber so that we can hear Mr Nigel Huddleston.

Nigel Huddleston (Mid Worcestershire) (Con): Does my right hon. Friend agree that the UK is actually already a world leader in cyber-security, and will the Government continue to commit, through education and training, to ensure that we continue to be so?

Mr Lidington: I am happy to give my hon. Friend that commitment. I could list a range of programmes that the Government are undertaking with school-age students and tertiary education students to drive up those standards, as well as working with international partners, who look to us for some of the best practice around the world.

Mr Speaker: I call the hon. Member for Caithness, Sutherland and Easter Ross (Jamie Stone). I thought that the hon. Gentleman wanted to come in on this question. No? It is not obligatory. Speak now or forever hold your peace, man.

Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I am very sorry, Mr Speaker—I could not hear you for the hubbub.

One would think that a cyber-attack against such a lovely country as Scotland would be unthinkable. Does the Minister have any feel for how the Scottish Government and the Scottish Parliament are getting on with cyber-security?

Mr Lidington: The hon. Gentleman will not expect me to go into detail, but we do work very seriously and closely with the devolved Governments in both Scotland and Wales and with the Northern Ireland civil service. In my experience, Ministers and senior officials in those Administrations take this challenge very seriously indeed.

Electoral System: Overseas Interference

5. **Mike Hill** (Hartlepool) (Lab): What steps the Government are taking to protect the electoral system from overseas interference. [907576]

9. **Joan Ryan** (Enfield North) (Lab): What steps the Government is taking to protect the electoral system from overseas interference. [907580]

The Parliamentary Secretary, Cabinet Office (Chloe Smith): We have not seen evidence of successful interference in UK democratic processes. However, we are not complacent, as the Prime Minister has said, and we will do what is necessary to protect ourselves and work with our allies to do likewise. The Cabinet Office co-ordinates cross-Government work to protect our democracy and to ensure the public's confidence in our elections.

Mike Hill: Does the Secretary of State support the work of the Petitions Committee in looking into cyber-bullying?

Chloe Smith: I shall speak to my right hon. Friend the Secretary of State for Digital, Culture, Media and Sport, and I am sure that he will be happy to take a look at that.

Joan Ryan: Deepfake videos have the potential to do tremendous harm, as they can easily be fabricated to show candidates making inflammatory statements or, God forbid, simply looking inept. Civic discourse will further degrade and public trust will plummet to new depths. This is the new wave of disinformation and election interference coming from overseas. What are the Government doing to prepare?

Chloe Smith: I thank the right hon. Lady for her very serious question and engagement with this important issue. I share her concern about that as an example of disinformation. The Government are acting to counter disinformation in a number of ways, including following on from our manifesto commitment to ensure that a high-quality news environment can prevail. I look forward to working further with her on this important issue.

Michael Fabricant (Lichfield) (Con): Given the activities of the Russians with cyber-attacks, and looking at Florida, what with hanging chads and all the rest of it, will my hon. Friend give the House an assurance that we will not move to an online voting system?

Chloe Smith: Yes, I can give that assurance, which derives from the Conservative party's manifesto. I can also say that the system we do use of pen-and-paper voting is, by its nature, rather more secure.

Mike Wood (Dudley South) (Con): What action are the Government taking to seek a range of views on potential measures to secure our voting system from overseas interference?

Chloe Smith: We are doing that in a number of ways. I would be very happy to have a longer conversation with my hon. Friend on this subject. Work goes on across the Government to look at these matters, including

with my right hon. and hon. Friends in the Department for Digital, Culture, Media and Sport and in the Home Office. We, collectively, will ensure that we seek those views.

Tommy Sheppard (Edinburgh East) (SNP): In the past week, the police have begun an investigation into whether Arron Banks used foreign money to buy the Brexit referendum. We have also seen Shahmir Sanni victimised for blowing the whistle on electoral crime by Vote Leave. Is it not now time for the Government to admit that the legitimacy of their mandate for the referendum is fatally compromised?

Chloe Smith: I think that the hon. Gentleman draws the wrong conclusion from his argument. The Government will be delivering the outcome of that referendum, on which, I have no doubt, we will hear more from my right hon. Friend the Prime Minister in just a minute. What I will say, crucially, about the investigation into Arron Banks is that the Government will not comment on an ongoing criminal investigation.

Christian Matheson (City of Chester) (Lab): A lot of the focus on foreign interference, particularly from the Russians, is on technological interference, but there is also a large amount of Russian money swilling around that is finding its way into political parties. What are the Government doing to restrict Russian financial influence on political parties at national and constituency level?

Chloe Smith: We are fully behind the law as it stands, which is that it is not permissible for parties on campaigns to accept foreign donations. We uphold those laws. We will examine recommendations recently made by, for example, the Electoral Commission, about how more may be done.

Mr Speaker: The voice of Plymouth, Moor View, extremely briefly—Johnny Mercer.

Government Hubs: Civil Service Efficiency

6. **Johnny Mercer** (Plymouth, Moor View) (Con): What assessment he has made of the potential effect of Government hubs on levels of efficiency in the civil service. [907577]

The Parliamentary Secretary, Cabinet Office (Oliver Dowden): The hubs programme saves money and creates a better place to work by bringing together Government activity on to single sites. We make extensive use of shared spaces, smarter working and workplace design. This encourages productivity as well as reducing vacant space. Indeed, in total, the programme is saving £2.5 billion over 20 years.

Johnny Mercer: The Minister knows what a capable and deeply talented Minister he is, and there are plenty of people like him in Plymouth, Moor View. Does he agree that Plymouth would be an ideal place for one of these Government hubs?

Oliver Dowden: Flattery will get my hon. Friend everywhere, and may I repay it by saying that I know what a powerful advocate he is for the city of Plymouth? He once again makes his case exceptionally

well. While further hub locations cannot be confirmed until commercial negotiations have concluded and Departments have informed staff, future locations are under active consideration.

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): There is cross-party support for moving Government hubs to Plymouth. What support can the Minister give to local authorities such as Plymouth City Council, which is working to create the buildings and land for these Government hubs to move into?

Oliver Dowden: The hon. Gentleman rightly highlights the Government's One Public Estate programme, and the example he cites in Plymouth is just one of many. Overall we expect to release land for 25,000 new homes and create 44,000 jobs by 2020.

Topical Questions

T1. [907586] **Ross Thomson** (Aberdeen South) (Con): If he will make a statement on his departmental responsibilities.

The Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office (Mr David Lidington): Yesterday I chaired the Joint Ministerial Committee on EU negotiations, attended by Scottish and Welsh Government Ministers and civil servants from Northern Ireland. This, the eighth such JMC meeting that I have chaired this year, followed the significant progress made in recent months with the devolved Governments in developing UK-wide frameworks to protect the vital internal market of the United Kingdom.

Ross Thomson: From policing to education, health and the environment, the approach of the Scottish National party Government is that control from Edinburgh is best, and when in doubt, centralise. Can my right hon. Friend update the House on what he is doing to ensure that the Smith commission promise to ensure decentralisation from Edinburgh is met?

Mr Lidington: The Smith commission was clear that it is the responsibility of the Scottish Government to work with the Scottish Parliament, civic Scotland and local authorities to ensure that power is devolved from Holyrood to local communities. For our part, we are ready to help the Scottish Government to implement the Smith commission in full and will give them our support if and when they choose to do that.

Jon Trickett (Hemsworth) (Lab): Will the Minister confirm without equivocation that the Government will fully comply with yesterday's resolution that all information provided to the Cabinet will be made available to the House as soon as the Cabinet finishes, if it ever does?

Mr Lidington: I set out the Government's position yesterday in the debate. We will reflect upon the outcome of the vote yesterday, but at the moment, there is no agreed deal. There is a provisional agreement between negotiators, which has yet to be considered by the UK Cabinet or the 27 member states meeting in Council.

T2. [907587] **Eddie Hughes** (Walsall North) (Con): In the centenary of the Parliament (Qualification of Women) Act 1918, how do we encourage greater diversity among candidates for public office, such as Amandeep Garcha, a Sikh woman in my constituency?

The Minister without Portfolio (Brandon Lewis): My hon. Friend makes a good point. It is fantastic to see such wide diversity of candidates in Walsall. I remind the House that the Government Equalities Office is providing financial assistance for all MPs, to encourage female constituents to come here on 21 November, and I hope more colleagues will take up that opportunity.

T5. [907590] **John Grogan** (Keighley) (Lab): In addition to the register of lobbyists, in the interests of transparency, shouldn't all think-tanks be obliged to publish their funding sources?

The Parliamentary Secretary, Cabinet Office (Chloe Smith): We believe that the legislation is working well, but we would be happy to look into any specific further points that the hon. Gentleman would like to make.

T3. [907588] **Mrs Maria Miller** (Basingstoke) (Con): The Government Equalities Office funding is in Education, its staff are in the Home Office and its Ministers are in the Department for International Development. My Select Committee recommended a year ago the wholesale move of the GEO to the Cabinet Office. Does my right hon. Friend agree with that?

Mr Lidington: My right hon. Friend and her Committee did indeed make a powerful case. It has needed a lot of cross-departmental discussion, but I hope that in the very near future, we will be in a position to give her a definitive response.

Mr Speaker: I am extremely grateful to the Minister. Everyone is present and correct, and it is no bad thing to start Prime Minister's questions precisely on time.

Prime Minister

The Prime Minister was asked—

Engagements

Q1. [907594] **Alex Burghart** (Brentwood and Ongar) (Con): If she will list her official engagements for Wednesday 14 November.

The Prime Minister (Mrs Theresa May): This morning I had meetings with ministerial colleagues and others. The Cabinet will meet this afternoon to consider the draft agreement that the negotiating teams have reached in Brussels, and the Cabinet will decide on the next steps in the national interest. I am confident that it takes us significantly closer to delivering on what the British people voted for in the referendum. We will take back control of our borders, our laws and our money and leave the common fisheries policy and the common agricultural policy while protecting jobs, security and the integrity of our United Kingdom. I will come back to the House to update it on the outcome.

Alex Burghart: Yesterday saw the best wage growth figures in a decade and the best employment figures in my lifetime. Does the Prime Minister agree with me that that can only be delivered by the free market economics that unite this side of the House, and not by the bankrupt socialism opposite?

The Prime Minister: My hon. Friend is absolutely right. He references yesterday's figures, which showed more people in work than ever before. They showed the female unemployment rate at a record low and, as he said, the fastest regular wage growth in nearly a decade. However, may I say to my hon. Friend that that is on top of figures last week that showed our economy growing three times faster than the eurozone average, the share of jobs on low hourly pay at a record low and the number of children in workless households at a record low? You only get that through good Conservative management of the economy.

Jeremy Corbyn (Islington North) (Lab): After two years of bungled negotiations, from what we know of the Government's deal, it is a failure in its own terms. It does not deliver a Brexit for the whole country, it breaches—[*Interruption.*]

Mr Speaker: Order. If necessary, I will say it again and again to Members on both sides of the House: voices must be heard. I happen to know that there are visitors from overseas in the Gallery. Let us try to impress them not merely with our liveliness, but with our courtesy.

Jeremy Corbyn: The Government's deal breaches the Prime Minister's own red lines and does not deliver a strong economic deal that supports jobs and industry, and we know that they have not prepared seriously for no deal. Does the Prime Minister still intend to put a false choice to Parliament between her botched deal and no deal?

The Prime Minister: The right hon. Gentleman is wrong in the description that he has set out. Time and time again, he has stood up in this House and complained and said, "The Government are not making progress. The Government are not anywhere close to a deal." Now that we are making progress and are close to a deal, he is complaining about that. That clearly shows that he and the Labour party have only one intention, which is to frustrate Brexit and betray the vote of the British people.

Jeremy Corbyn: After the utter shambles of the last two years of negotiations, the Prime Minister should look to herself in this. She has not managed to convince quite a lot of the Members who are standing behind her. The rail Minister resigned last week, saying:

"To present the nation with a choice between two deeply unattractive outcomes, vassalage and chaos, is a failure of British statecraft on a scale unseen since the Suez crisis"—

and that from a Tory MP. Last night, the EU's lead Brexit negotiator reportedly told the 27 European ambassadors that the UK

"must align their rules but the EU will retain all the controls." Is that a fair summary of the Prime Minister's deal?

The Prime Minister: As I have said all along, throughout the negotiations, we are negotiating a good deal for the United Kingdom. We are negotiating a deal that delivers on the vote of the British people; that takes back control of our money, law and borders; and that ensures that we leave the common fisheries policy, we leave the customs union and we leave the common agricultural policy, but we protect jobs, we protect security and we protect the integrity of the United Kingdom.

Jeremy Corbyn: Under the Prime Minister's deal, we are going to spend years with less say over our laws or how our money is spent. The International Trade Secretary said last week that the decision to withdraw from any backstop agreement could not be contracted to somebody else. Can the Prime Minister confirm whether under her deal, it will be the sovereign right of the UK Parliament to unilaterally withdraw from any backstop?

The Prime Minister: There needs to be a backstop as an insurance policy, but neither side actually wants us to be in that backstop, because we want to bring the future relationship into place at the end of December 2020. I am aware of the concerns that we do not want to be in a position where the European Union would find it comfortable to keep the United Kingdom in the backstop permanently, and that is why any backstop has to be temporary.

Jeremy Corbyn: I think that that non-answer has confirmed that Parliament will not have that sovereign right. The International Trade Secretary breezily declared that he would have 40 trade deals ready to be signed the second after midnight when we leave the EU. With four months to go, can the Prime Minister tell us exactly how many of those 40 deals have been negotiated?

The Prime Minister: We are doing two things. First, we are negotiating to ensure that we maintain the trade deals that currently exist with the European Union when we leave—[*Interruption.*]

Mr Speaker: Order. It is not acceptable for Members to shout at the Prime Minister when she is answering questions. We have been talking recently in this Chamber about respect and good behaviour. On both sides, the person who has the floor must be heard, and that is the end of the matter.

The Prime Minister: We have been negotiating on two fronts. We are negotiating on the continuity agreements, which ensure that the trade deals that we have been party to as a member of the European Union can continue when we leave the European Union, and we have also started discussions with other countries about the trade deals that we can forge across the world once we leave the European Union. If the right hon. Gentleman is interested in trade deals, he really needs to sort out the Labour party's position on this issue. Originally, the Labour party said that it wanted to do trade deals around the rest of the world. Now, he says that he wants to be in the customs union. That would stop him doing trade deals around the rest of the world. We know what is good for this country: an independent trade policy and trade deals—good trade deals—with Europe and with the rest of the world.

Jeremy Corbyn: The International Trade Secretary is not the only one who does not understand international trade rules, and he is not the only one in the Cabinet who does not understand a few things. The Brexit Secretary said last week:

“I hadn’t quite understood the...extent of this, but...we are particularly reliant on the Dover-Calais crossing”.

When did the Prime Minister become aware of this absolutely shocking revelation about Britain’s trade routes?

The Prime Minister: The right hon. Gentleman stands here and reads out something that says that we do not know about trade policy, but we do know about trade policy. That is exactly why we are negotiating the continuity agreements, and it is why we will be taking our place as an independent state in the World Trade Organisation. If he wants to talk about different positions that are being taken, what we are doing is delivering a good deal that will deliver on the vote of the British people. We are delivering Brexit. What have we seen recently from the Labour party? Well, the Labour leader said: “we can’t stop” Brexit, but the shadow Brexit Secretary said that we can stop it. When the right hon. Gentleman stands up, he should make it clear: is it Labour party policy to stop Brexit?

Jeremy Corbyn: Labour respects the result of the referendum. What we do not respect is the shambolic mess the Government have made of negotiations: the mess they created that they cannot now get themselves out of. We will not let them destroy this country’s economy or the jobs and life chances of so many others.

If the Brexit Secretary is still in office by the time the Cabinet meets this afternoon, could the Prime Minister take him to one side and have a quiet word with him? Will she tell him that 10,000 lorries arrive at Dover every day, handling 17% of the country’s entire trade in goods, estimated to be worth £122 billion last year? This woeful ignorance by a person in high office is disturbing to so many people.

This Government spent two years negotiating a bad deal that will leave the country in an indefinite halfway house without a real say, yet they think they can impose a false choice on Parliament between a half-baked deal and no deal, when a sensible alternative plan could bring together—[*Interruption.*]

Mr Speaker: Order. No matter how long it takes, the right hon. Gentleman will not be shouted down in the House of Commons. It is as simple and unarguable as that.

Jeremy Corbyn: When a sensible alternative plan could bring together Parliament and the country. Even Conservative MPs say the Prime Minister is offering a choice between the worst of all worlds and a catastrophic series of consequences. When will the Prime Minister recognise that neither of those options is acceptable?

The Prime Minister: The right hon. Gentleman talks about woeful ignorance. I will tell him where the woeful ignorance lies: it lies with those on the Labour party Front Bench who think they can build a better economy by spending £1,000 billion more, putting up taxes and destroying jobs. The real threat to jobs and growth in this country sits on the Labour party Front Bench.

I will tell him what we are delivering in relation to Brexit. [*Interruption.*] He says, “What about Brexit?” I will tell him what we are delivering on Brexit: we will not rerun the referendum, we will not renege on the decision of the British people, we will leave the customs union, we will leave the common fisheries policy, we will leave the common agricultural policy, and we will take back control of our money, laws and borders. We will deliver Brexit and the United Kingdom is leaving the European Union on 29 March 2019.

Q4. [907597] **Mr Peter Bone** (Wellingborough) (Con): Is the Prime Minister aware that if the media reports about the EU agreement are in any way accurate, you are not delivering the Brexit people voted for and that today you will lose the support of many Conservative MPs and millions of voters across the country?

The Prime Minister rose—

Mr Speaker: Order. Members must calm themselves. I have often advised taking some sort of soothing medicament. People may feel better as a consequence. I want to hear what the Prime Minister has to say and I hope the House has the courtesy to want to do so as well.

The Prime Minister: I say to my hon. Friend that what we have been negotiating is a deal that does deliver on the vote of the British people. In the list I set out earlier, I left out one of the things that the British people are very keen to see from this deal, which is an end to free movement. We will ensure that we deliver on that, as well as the other elements I set out. What we are doing is a deal that delivers on that vote, and in doing so protects jobs, protects the integrity of our United Kingdom and protects the security of people in this country.

Ian Blackford (Ross, Skye and Lochaber) (SNP): The Scottish National party, with the leaders of other Opposition parties, has written to the Prime Minister, urging her to drop plans to prevent a truly meaningful vote on the Brexit deal. Shamefully, it seems that the Government are seeking to prevent Opposition amendments to the deal, effectively gagging the sovereignty of Parliament by playing dirty tricks with procedures. I ask the Prime Minister: what is she afraid of? Is her Government so weak that the Brexit deal will not succeed when other solutions are still on the table?

The Prime Minister: We have been very clear that there will be a meaningful vote in this House. We have also been clear that the motion on the deal will be amendable, but I say to the right hon. Gentleman that if you went out and asked any member of the public, “When the Government bring a deal back from Europe, what do you expect Parliament to vote on?”, I think they would expect Parliament to vote on the deal.

Ian Blackford: We expect Parliament to take its responsibilities, which are to hold the Government to account and amend the deal. This Prime Minister is hamstrung, divided, desperate and looking defeated. In a total panic, the Prime Minister has been reduced to playing political games rather than playing fair. This is not a game. The SNP will never, ever gamble with Scotland’s future. There is only one lifeline left: to

protect jobs in Scotland, we must stay in the single market and the customs union. The Prime Minister will not drag Scotland out against its will. If there is a deal to protect the economy in Northern Ireland, why not Scotland?

The Prime Minister: The right hon. Gentleman stands up and says that the SNP will not gamble with Scotland's future. I say to him that the SNP gambles with Scotland's future every time it stands up and talks about independence.

Q5. [907598] **Leo Docherty** (Aldershot) (Con): Figures released yesterday show that for the first time ever, more than half of disabled people are now in work, including many military veterans, so will the Prime Minister join me in thanking those employers who have signed up to the Disability Confident scheme, which has allowed such great strides to be made in this area?

The Prime Minister: First of all, it is very good news to see more disabled people getting into the workplace, and I am grateful to my hon. Friend for raising the Disability Confident scheme. I praise the work of my right hon. Friend the Secretary of State for Work and Pensions, who created and has personally championed the scheme since it started back in 2013. As my hon. Friend obviously knows, it works directly with employers and aims to challenge the perceptions of what it means to employ a disabled person. We will continue to ensure that we are making every possible effort to make sure that more disabled people who want to be in the workplace are able to take their place in it.

Q2. [907595] **Chris Elmore** (Ogmore) (Lab): The Prime Minister's likely Brexit agreement will

"leave our country economically weakened",

mean that we take EU rules without any say, and will give

"years of uncertainty for business"—

not my words, but the words of her latest ministerial resignation, or at least the latest as far as we know. Does she agree, and is it not about time that she admitted that there is little to no support for her reckless plan in her Cabinet, and even less in Parliament?

The Prime Minister: As I said earlier, what we are negotiating is a deal that will deliver on the vote, that will actually ensure—under the proposals that we put forward in the summer—that we are able to see that frictionless trade across borders and a free trade area with the European Union, and that gives Parliament a lock on those rules.

Q6. [907599] **Antoinette Sandbach** (Eddisbury) (Con): In 2017, Ministers committed to providing visualisations of the rolling stock depot and viaducts proposed in my constituency by HS2 Ltd. After a whole year of delaying, HS2 Ltd is now refusing to deliver on this commitment and ignoring Ministers. Will the Prime Minister ensure that within the next week, my constituents get the visualisations of the viaducts and rolling stock depot that they were promised, so that they are able to comment on the draft environmental statement?

The Prime Minister: I recognise the concern that my hon. Friend's constituents have raised about this issue and thank her for the hard work that she has undertaken

to campaign on this issue on her constituents' behalf. I understand that my right hon. Friend the Transport Secretary is aware of this issue. He is urgently looking into it, and I encourage my hon. Friend to continue to engage with him on this matter to ensure that her constituents get what they were promised.

Q3. [907596] **Marion Fellows** (Motherwell and Wishaw) (SNP): Post offices are closing in their hundreds as postmasters struggle to make a living under the contract introduced by this Government. Through its North Star initiative, the publicly owned Post Office is aiming for £100 million of profit by 2012, while postmasters' pay has declined by £107 million since 2012. Will the Prime Minister take action now to save our post office network and intervene to ensure that postmasters get a fair rate?

The Prime Minister: Obviously we have seen a change to the post office network across the United Kingdom—it has happened as people's pattern of behaviour in relation to these matters has changed—but I am sure the Post Office is making decisions that it believes are right for local communities and to ensure that services are there where they are needed.

Q7. [907601] **Mike Wood** (Dudley South) (Con): Reductions in business rates will help thousands of small and medium-sized shops, restaurants and pubs in our town centres. Will the Prime Minister commit to continuing to work for fundamental reform of local business taxation so that local shops and businesses of all sorts can compete fairly with the online giants?

The Prime Minister: I thank my hon. Friend for referring the House to the fact that we are bringing in those changes to business rates to help local businesses. We are determined to help local businesses, which is why we are also implementing reforms to make the system fairer and more effective, including three-year evaluations, removing the so-called staircase tax and the new check, challenge and appeal system. We also aim to increase the local share of local business rate receipts to 75% from 2020-21. On future taxation, I can assure him that we will of course continue to keep it under review.

Q8. [907602] **Wes Streeting** (Ilford North) (Lab): The brutal murder of a mother in my constituency, shot in the back with a crossbow in front of her family just four weeks before she was due to give birth to her baby, has shocked people up and down the country to the core. I know I speak for every Member in expressing our deepest condolences to the family and our best wishes to the baby for a speedy recovery. Given that weapons such as the crossbow used to kill my constituent are readily available for sale online, can I urge the Prime Minister to look urgently and seriously at expanding the ambit of the Offensive Weapons Bill so that we can toughen up the scope of the laws governing the sale, possession and use of these deadly weapons?

The Prime Minister: The hon. Gentleman raises a terrible and tragic case in his constituency, and, as he says, the thoughts of the whole House will be with the victim's family and friends. Our deepest condolences go

to them following this terrible attack. Crossbows are subject to strict controls, but we keep the legislation under review and will consider the risk that such weapons pose to public safety and whether further measures are needed, and we will of course look at that in the context of the legislation we are bringing before the House.

Q13. [907607] **Alec Shelbrooke** (Elmet and Rothwell) (Con): Does my right hon. Friend agree that while the Government have invested millions in our railways, when my constituents are still suffering from chronic overcrowding on carriages it is incumbent on Network Rail to deliver projects on time, so that new rolling stock can be quickly put in place to alleviate the overcrowding?

The Prime Minister: My hon. Friend highlights the fact that we are delivering the biggest rail investment programme since the Victorian era. He says we are spending millions on our railways, but actually we will be spending nearly £48 billion on modernising and renewing our railways, which will deliver better journeys and fewer disruptions. He is right, however, that it is absolutely vital that Network Rail delivers its projects on time. I am told that Northern's new rolling stock is currently planned to serve lines from June and July next year, but I know he has been campaigning excellently on this issue, and I encourage him to continue to do so.

Q9. [907603] **Yvonne Fovargue** (Makerfield) (Lab): I am privileged to have two award-winning sixth-form colleges in my constituency, but with no increase in funding since 2010, Winstanley College has cut German A-level from the syllabus and St John Rigby has drastically reduced pastoral support. Does the Prime Minister believe, like the Chancellor, that these are just little extras, or does she agree that it is time to raise the funding rate?

The Prime Minister: If the hon. Lady looks at what we have been doing for education funding overall, she will see that we have been putting extra money into funding—[*Interruption.*] Members say, “Not in FE”, but we have invested nearly £7 billion in further education this year to ensure that there is an educational training place for every 16 to 19-year-old who wants one. We are also transforming technical education through T-levels, and £500 million will go into those once they are fully rolled out. By 2020, the funding to support adult participation in further education is planned to be higher than at any time in England's history.

Q14. [907608] **Kwasi Kwarteng** (Spelthorne) (Con): Will the Prime Minister join me in paying tribute to my constituent Dennis Brock, who will celebrate his 100th birthday next week? Uniquely, he has been ringing the bells at St Mary's church in Sunbury-on-Thames for 87 years, and we confidently believe that he is the oldest bell ringer in the world.

Mr Speaker: I call the Prime Minister. [*Interruption.*] Order. I want to hear about the bell ringing situation.

The Prime Minister: I am very pleased first to wish Dennis Brock a very happy 100th birthday, and secondly to pay tribute to him for his 87 years of bellringing. As my hon. Friend has said, that is a considerable and

significant record, and I think the support he has given, the work he has done and his commitment to St Mary's in Sunbury-on-Thames are truly inspiring.

Q10. [907604] **Ruth Smeeth** (Stoke-on-Trent North) (Lab): More than a third of the children in my great city are currently living in poverty. Our local food banks have seen a 42% increase in demand since universal credit was imposed on us in June. Most referrals come from the Tory-led city council, which is refusing to give them a penny. Is that compassionate conservatism?

The Prime Minister: As the hon. Lady is well aware, we are introducing universal credit because the previous system, the benefits system that we inherited from the Labour party, did not work. It left more than a million people living on benefits, trapped on benefits for up to a decade. What we are doing is ensuring that people are given more encouragement to get into the workplace, and that when they are in the workplace, work always pays. As I have said, we are seeing very good figures showing a significant reduction in the number of children in workless households.

Mr Kenneth Clarke (Rushcliffe) (Con): We are currently in the middle of a swirl of rumours about the proposed deal with the European Union, and a torrent of criticism from all the Government's most ferocious critics. One of the rumours is that if the Cabinet agrees to the deal this afternoon, the Government propose to publish a White Paper setting out all the details later today.

Will the Prime Minister give an assurance that, if and when this deal is published, a statement will be made to this House of Commons when it is produced? It is this Parliament that will have to decide now what to do next, and we do not want Parliament to be consulted only after another 24 hours of rumours and criticism. We want to re-establish parliamentary sovereignty, and I wish the Prime Minister well in obtaining a majority for some course of action in future that is in the national interest.

The Prime Minister: There are, in fact, two stages—potentially two stages—in this process. As I said earlier today, the Cabinet will be looking at the draft agreements that the negotiating teams have produced, and will consider and determine what the next steps should be in the national interest, as my right hon. and learned Friend requests us to do. I can assure him that we will be looking at this in the national interest.

As I said, I will return to the House to explain the outcome of that, but I should also say to my right hon. and learned Friend that there is then the issue of ensuring—as we will—when a final deal is agreed with the European Union, that proper analysis is available to Members before the meaningful vote takes place, and that briefings on the details of the proposals that are laid are available to Members, so that, as he has said, Members are able to make their decision in the light of an understanding of the details of the deal that has been agreed.

Q11. [907605] **Joan Ryan** (Enfield North) (Lab): Home Office documents, the Met commissioner, the Police Federation and now even the Home Secretary say that the Government's cuts to policing have had an impact

on the surge in violent crime. We cannot continue to see the levels of violence which resulted in five fatal stabbings in six days in London just two weeks ago. How many times does the Prime Minister need to be told about the dire consequences before she gives our frontline policing the resources it so clearly needs?

The Prime Minister: I am sure that we are all concerned across this House about the attacks that have taken place in recent days in London. We are concerned about knife crime and the serious violence we have seen. We heard earlier from the right hon. Lady's colleague, the hon. Member for Ilford North (Wes Streeting), about the use of a crossbow to attack and, sadly, kill an individual. The right hon. Lady talks about police funding. We have protected police funding overall since 2015. We are putting more money into the police. We are making more money available—we have announced that. But this is also about ensuring that the police and the criminal justice system have the powers they need to deal with knife crime, and if she is concerned about knife crime I suggest that she asks her right hon. Friend the Leader of the Opposition why he voted against increasing the powers to deal with knife crime.

Mr Iain Duncan Smith (Chingford and Woodford Green) (Con): I say to my right hon. Friend that I am not going to be asking about Brexit—[HON. MEMBERS: "Oh!"] For now, I was enormously proud of my Government for agreeing to lower the stake on fixed odds betting terminals to £2 because they have caused endless harm and terrible damage to families. It was the right decision. Since then there has been a hiatus about the date on which this will start. Is it a reality that now we have put down an amendment the Government will accede and we will get this process started on 1 April next year?

The Prime Minister: My right hon. Friend has campaigned on that issue with a passion because, as he says, the question of the maximum stake for FOBTs has an impact on vulnerable people as well as their families and loved ones. I recognise the strength of feeling on the issue. I know that gambling addiction can devastate lives, so our priority is making sure that this change delivers the results we all want to see. We are listening to concerns being raised by colleagues and, if he will have a little patience, I can tell him that the Culture Secretary will set out further details later today.

Q12. [907606] **Mr Ronnie Campbell** (Blyth Valley) (Lab): The Institute for Fiscal Studies has indicated that, by 2021-22, child poverty will have risen from 30% to 37%. When a Government treat their people like that, they are not worth their salt, but I suppose this Government never had any salt anyway. Should not the Government be ashamed of themselves for allowing that situation to develop for children?

The Prime Minister: What we have seen under this Government is absolute poverty reducing to a record low. We have also seen, as I referenced earlier, a significant reduction in the number of children in workless households. When we look at the figures, we see that actually three quarters of children are taken out of poverty when their household moves from being a workless household to a household with work, which is why the changes that we

are making, to ensure that our benefit and welfare system encourages people into work and makes sure that work pays, are the right changes.

Julia Lopez (Hornchurch and Upminster) (Con): Former New Zealand high commissioner and experienced trade negotiator Sir Lockwood Smith told our International Trade Committee:

"If you remain bound into the EU regulatory system you will not be able to have a significant global trade strategy".

Will my right hon. Friend advise whether this might be one of the prices to pay for her Brexit deal?

The Prime Minister: No, it is not one of the prices paid that my hon. Friend refers to. We will still be able to strike those deals around the rest of the world. I am pleased to say that not only are a number of countries expressing an interest in that, but, as we have seen and as I saw two or three weeks ago, countries including Japan, Vietnam and Australia are keen that we should talk to them about joining the comprehensive and progressive agreement for trans-Pacific partnership. We specifically looked at our ability under the proposals we put forward to strike those trade deals around the world, and we will have an independent trade policy—we will be able to strike those trade deals.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): It is no secret that the Labour Welsh Government have been somewhat lacklustre in what they demand from the British Government on Brexit, so I will speak on behalf of Wales. When will the devolved Parliaments be given the opportunity to see the withdrawal agreement texts and to see for themselves the devastating effect that leaving the European frameworks will have on each of the devolved nations?

The Prime Minister: As I have indicated in response to my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke), we will ensure that information is available to Members of this House on the withdrawal agreement and on the future relationship that is agreed with the European Union. We will ensure that briefings are available, that documents are available and that the analysis that the Government have previously committed themselves to is available, so that, when Members of this House come to the meaningful vote on a deal, they will be able to have that information and to cast their vote against the background of that information.

Sir Roger Gale (North Thanet) (Con): Further to the point raised by my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke), will my right hon. Friend endeavour as soon as practicable following the Cabinet meeting this afternoon to make available to all Members the details of the draft agreement, so that those of us who wish to do so can comment on them on the basis of fact, rather than on the basis of ill-informed speculation?

The Prime Minister: Obviously the Cabinet is meeting to determine what the next steps are in relation to this issue. If this is a deal that is then taken forward for further debate and negotiation with the European Union, I believe it is the intention to ensure that the details of that deal are made public so that people can look at the facts.

Dr Rosena Allin-Khan (Tooting) (Lab): If what is being reported is correct, the Prime Minister is set on ploughing through with a Brexit deal that will be bad for our economy, bad for our jobs and bad for a hard-working people up and down this country. If she honestly believes that she commands the will of the people, will she put her Brexit deal to the people, either through a general election or, failing that, through a new referendum?

The Prime Minister: First, we are negotiating a deal that will be good for the economy of the United Kingdom. It will be a deal that will ensure that we continue to have a good trading relationship with the European Union but also that we are able to strike independent trade deals around the rest of the world. On the issue of the second referendum, there was a referendum in this country in 2016 in which we asked the British people whether they wanted to remain in the European Union or to leave it. They voted to leave, and that is what this Government will deliver.

Simon Hoare (North Dorset) (Con): This morning, an incredibly well-attended annual general meeting of the all-party parliamentary group on thalidomide took place. May I invite my right hon. Friend—and indeed the Foreign and Commonwealth Office—to lend their support, to talk to the German Government to persuade them of the merit of social justice, and to deliver a lasting solution for those who have suffered for too long?

The Prime Minister: I thank my hon. Friend for the way in which he has been championing this cause. It is significant that, so many years after thalidomide caused the problems and difficulties for people that it did, he and others like him are still having to campaign on this particular cause. I will certainly look into, and ask the Foreign and Commonwealth Office to look into, what he says about the possibility of speaking to the German Government on this issue.

Mike Kane (Wythenshawe and Sale East) (Lab): Asia Bibi spent eight years on death row in Pakistan for a crime that she did not commit. Since the High Court quashed her conviction, she has been in hiding. Weekend reports suggested that she had applied for asylum in Britain. Does the Prime Minister agree that Britain should be a beacon for human rights and for those fleeing religious persecution?

The Prime Minister: Our primary concern is for the safety and security of Asia Bibi and her family, and we want to see a swift resolution of the situation. Obviously there is an issue for the Government and courts in Pakistan, and the Prime Minister, Imran Khan, has publicly supported the Supreme Court and promised to uphold the rule of law while providing continued protection for Asia Bibi. A number of countries are in discussion about providing a safe destination for her once the legal process is complete—

Emily Thornberry (Islington South and Finsbury) (Lab): But is she welcome here?

The Prime Minister: I am sure the House will understand, given the sensitivity of this case, that it would not be right to comment on the details of those proposals at

this stage, but we remain in close contact with international partners to ensure Asia Bibi's long-term safety and interests.

Martin Vickers (Cleethorpes) (Con): The Prime Minister confirmed earlier that we will indeed be leaving the common fisheries policy, which is welcome, but she will be aware that there is still considerable concern within the industry. Can she give an absolute assurance that it will be for the UK, and the UK alone, to determine who fishes in our national waters after a deal is signed?

The Prime Minister: I can reassure my hon. Friend that we will become an independent coastal state, and it will be the UK negotiating on the UK's behalf in terms of access to UK waters.

Kate Hoey (Vauxhall) (Lab): The Prime Minister will know that, back in 1965, there was a neighbourhood agreement between Northern Ireland and the Republic that each could fish in the other's six-mile waters. Two years ago, the Irish Republic reneged on that. We, of course, taking the moral high ground, did not renege, so now all the Irish fishermen can come into Northern Ireland waters, but Northern Ireland fishermen cannot go into Republic waters. Will the Prime Minister try to speak up sometimes for Northern Ireland fishermen and not feel that she always has to support the Irish Government?

The Prime Minister: Consistently throughout these negotiations one of the issues that I have had at the forefront of my thinking has been the people of Northern Ireland. The hon. Lady raises a specific issue about fishing, and I am happy to look at the specific issue of the six-mile waters. We will become an independent coastal state, as I have just said in response to my hon. Friend the Member for Cleethorpes (Martin Vickers). We will ensure that it is the United Kingdom that is negotiating on behalf of the UK for access to UK fishing waters, but the people of Northern Ireland are at the forefront of our concerns in relation to the deal that we are negotiating.

Andrew Selous (South West Bedfordshire) (Con): The Prime Minister is to be commended for initiating her race disparity audit, which showed, among other facts, that Traveller children have the worst educational, health and employment outcomes of almost any group. Given the acute distress also caused to many settled residents by policy in this area, and given the support yesterday for my ten-minute rule Bill calling for a review of this area across the House, will the Prime Minister please appoint a senior Cabinet Minister to undertake a complete review of this area so that we can have better outcomes for all our constituents?

The Prime Minister: My hon. Friend raises an issue that I know is of concern for many across the UK in terms of what they see in their constituencies. As he said, there is also a concern about the impact on the educational attainment of Traveller children. As he will know, we published a consultation on tackling unauthorised encampments in April, and we will respond on that in due course. We are committed to strengthening local councils' and the police's powers to address these problems and to ensure fair play. We take this issue very seriously, and we are carefully considering the response that we can give to the consultation.

Tom Brake (Carshalton and Wallington) (LD): Can the Prime Minister confirm that her deal will leave the United Kingdom a rule taker, not a rule maker—in other words, a vassal state? Is not the best way to get herself out of the mess that she and her colleagues have caused to allow the people a vote in a people's vote?

The Prime Minister: I think I have given the right hon. Gentleman the same answer to this question on a number of occasions. This Parliament gave the British people the vote on whether or not to stay in the European Union in 2016. The British people voted—they voted to leave—and it is this Government who will deliver on that vote and deliver Brexit.

Points of Order

12.43 pm

Liz Kendall (Leicester West) (Lab): On a point of order, Mr Speaker. Following the question from the right hon. and learned Member for Rushcliffe (Mr Clarke), can you advise Members whether you have had any indication about when a statement will be made on the apparent withdrawal agreement with the EU? We hear rumours that a statement may be made tomorrow, but many hon. Members may already have commitments. I understand that the House needs to mark the 70th birthday of the Prince of Wales today, but in the remaining six hours we could surely discuss the most important issue facing this country in a generation.

Mr Speaker: I am very grateful to the hon. Lady for her point of order. The candid answer is that I had been given to understand that there would be a statement on this matter, in all likelihood, tomorrow. Factually to respond to her, what I would say is that the Chair would be perfectly amenable to a statement before then. That is not, however, a judgment for me; it is properly a judgment for the Government. I understand what she says about people having commitments tomorrow—*[Interruption.]* Order. But it does seem to me a reasonable point to make in response that, if Members consider this to be a supremely important matter, they can potentially rearrange their diaries in order to be present. I am always in favour, as she knows, of statements sooner rather than later but, if I may so, I do not think we should have a great row about whether a statement is made today or tomorrow.

What I would like to say to Members is that when there is a statement to this House, in conformity with the practice I have applied for nearly nine and a half years from this Chair, there will be a full opportunity for Members in all parts of the House, and potentially expressing or representing all sorts of different points of view, to be heard. That is the way it has always been and, as far as I am concerned, that is the way it will continue to be.

Mr Kenneth Clarke (Rushcliffe) (Con): Further to that point of order, Mr Speaker. Although you say you have no role in this, do you not agree that, until very recently, it has always been the constitutional convention in this House that, when a Government announce a major policy, they do so, first of all, by a statement here in the House of Commons, usually simultaneously with the publication of a White Paper? With great respect, it is not just a question of Members having other commitments, or of convenience. We are slipping into a practice where Government policies are leaked in advance, then the Government brief the press and a great national debate breaks out, and then Parliament finally gets the opportunity to discuss it a day later. If you have any opportunity to discuss with the usual channels what the proper role of Parliament should be, I think your assistance would be greatly appreciated.

Mr Speaker: I am very grateful to the right hon. and learned Gentleman for that point of order. I am bound to say to him that my attitude has been that we have Cabinet government in this country. The policy is the policy of the Government only when it has been approved by the Cabinet. *[Interruption.]* Members can take their own view on whether I am right or wrong, but I am

simply seeking to explain to the Father of the House that the premise on which I am working is that it will be Government policy if and only if, and only when, it has been approved by the Cabinet.

It therefore does not seem to me to be unreasonable, if the Cabinet is meeting this afternoon, for the House to hear a statement tomorrow. However, if it is possible for that statement to be made today, in the sense that a policy has been agreed, I am at the service of the House and I am in favour of a statement being made at the earliest possible opportunity. That point will have been heard on the Treasury Bench, and I am grateful to the Father of the House for his assistance in this important matter.

Kirsty Blackman (Aberdeen North) (SNP): On a point of order, Mr Speaker. Can you advise me on the courses of action that are available to raise this issue? The Chief Minister of Gibraltar has, I understand, been briefed by the Minister for Europe and the Americas, and I understand that no such courtesy has been afforded to the Scottish Government. How do I bring a Minister here so I can ask why the Scottish Government have not yet seen the final deal but Gibraltar has?

Mr Speaker: There may be an opportunity for an exchange later in the day. The Minister for the Cabinet Office is perched as though he is about to leap to his feet with alacrity to respond, through me, to the hon. Lady.

The Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office (Mr David Lidington): Further to that point of order, Mr Speaker. If it will help the hon. Member for Aberdeen North (Kirsty Blackman), I had a very constructive meeting with the First Ministers of both Wales and Scotland last Friday morning, when we discussed the progress of negotiations up to that point. My right hon. Friend the Prime Minister will, when the Cabinet has taken a view and come to a decision about what has been agreed provisionally between negotiators, talk directly to the First Ministers of Scotland and Wales, because it is quite right that they should be fully briefed on what the Cabinet has decided.

Martin Docherty-Hughes (West Dunbartonshire) (SNP)
rose—

Mr Speaker: Oh, very well. I hope it is not vexatious; I hope it is not a point of frustration.

Martin Docherty-Hughes: On a point of order, Mr Speaker. I would not be frustrated at all, Mr Speaker, especially not in here.

One year has now passed since my constituent Jagtar Singh Johal was arrested in India. Neither evidence nor a witness has been placed before a court of law, and a report of torture has been placed before the United Nations rapporteur on torture. I have raised the issue with you previously, seeking ministerial responses to letters and to requests for meetings with the Foreign Secretary. A commitment was given, the last time I raised this, on the Floor of the House. Can you assure me, while I am standing here and my constituent's brother is in the Under Gallery, that the new Foreign Secretary could make that commitment, either through a statement to the House or through my writing to the Minister directly, yet again, as I have done already?

Mr Speaker: I am sorry that it is necessary for the hon. Gentleman repeatedly to write to Ministers on this matter, and it is obvious that he is dissatisfied with the response or lack thereof. My only advice to the hon. Gentleman is the advice I usually give to Members irritated in these circumstances, which is persist—persist man, persist. He is a dexterous and adroit parliamentary performer, and he will know the instruments available to him. If he believes, as I rather imagine he does, that the matter is urgent, he may wish to deploy a procedure that might give him a chance of raising the matter with a Minister in the Chamber on that basis.

Jonathan Ashworth (Leicester South) (Lab/Co-op): On a point of order, Mr Speaker. The House may well not have seen that another issue has just broken in the news, which is that more than 48,000 women have not received correspondence regarding cervical screening appointments and have gone without correspondence regarding cervical screening results, 500 of which, apparently, were abnormal results. This is the latest failing of Capita, and Capita should lose this contract and the service should come in-house. The previous Health and Social Care Secretary, who is now the Foreign Secretary, would routinely update the House on these types of matter. Has the current Health and Social Care Secretary given you an indication that he is going to come to this House to update us, so that we can ask questions on behalf of our constituents?

Mr Speaker: The short answer to the shadow Secretary of State for Health and Social Care is no, but I would very much expect that the House will be addressed on this matter very soon, certainly within a matter of days. Like the hon. Member for West Dunbartonshire (Martin Docherty-Hughes), the hon. Gentleman is well versed in the instruments available to him. If he does not get a statement, or in lieu of a statement and as a reserve mechanism, he knows that he can seek to raise the matter on an urgent basis. I believe that on 528 occasions over the past nine and a half years the Chair has judged that a matter is urgent, whether the Government think it is or not.

Nigel Dodds (Belfast North) (DUP): On a point of order, Mr Speaker. Given the very clear decision of the House yesterday in relation to the publication of legal advice and the reported very worrying comments of the Attorney General in recent hours, can you ensure that the advice will be brought forward in a timely way and should certainly not be very long delayed after the publication of any White Paper or any statement? These things should happen almost simultaneously if we are to have a proper and informed debate on the statement or whatever comes forward. The House spoke clearly yesterday and that must be acceded to by the Government.

Mr Speaker: The short answer is that I agree entirely with the right hon. Gentleman and I could not have put it better myself. I hope that that message has been heard clearly by those on the Treasury Bench. What happened yesterday was not an expression of opinion by the House of Commons; it was an expression of the will of this House. That will must be respected by the Executive branch—it is as simple and incontestable as that.

If there are no further points of order, perhaps we can now proceed.

Clerk of the House

12.53 pm

Mr Speaker: I have received a letter from the Clerk of the House and, as is customary in such circumstances, I propose to read it to the House. The letter is as follows:

“Dear Mr Speaker,

I write to inform you that I have indicated to Her Majesty The Queen that I intend to surrender my Patent as Clerk of the House on 1 March next year. I shall then have served the House for over 43 years, for the last 16 years at the Table. In March 2019 it will be 4 years since I was appointed as the 50th Clerk of the House. You have long known of my plans to retire in the first quarter of 2019, and I am grateful to you and the House of Commons Commission for agreeing in July of this year to all the detailed arrangements for selecting my successor, which can now be activated.

It has been a turbulent 4 years, covering three governments, two general elections and two referendums; the murders of Jo Cox MP and PC Palmer; threats to our physical and cyber-security; and the ebb and flow of launching Restoration and Renewal. It has seen the establishment of the new Parliamentary Digital Service and the Parliamentary Security Department; as well as new governance structures. And it hardly needs saying there may be more turbulence over the next few weeks and months.

The last 12 months have also of course seen the surfacing in various ways of the complex issue of bullying and harassment and sexual misconduct in the parliamentary community. I am confident that we can deal with it if we all acknowledge past failings—as I readily do—and move beyond concerns about process to reach a place where, quite simply, everybody in the community treats everybody else with respect and dignity. And where, if they do not, they are called out and if necessary sanctioned.

It has been a privilege if not always a positive pleasure to do this job and the other 14 jobs I have done here, in all of them sustained by the loyalty and friendship of my colleagues across the House of Commons Service, and in the House of Lords. I could not have been prouder than when I was appointed as the Head of the House of Commons service four years ago. The House of Commons service are a remarkably talented, diverse and dedicated group of public servants and I will miss them.

I will also miss the support and friendship of Members on all sides of the House. I do not think the public appreciate the work of Members, or their staff, as they should; and perhaps they never will.

Members demonstrate the best of public service in so many ways: in scrutiny and debate and inquiry here and in representing their constituents. I have found the House at its best to be a kind and generous place.

I am also glad over the past 4 years to have been able to visit a number of constituency offices around the country and see at first hand the public service provided by Members’ staff. Members and their staff carry out their work in the face of spiteful abuse and threat and vilification. They deserve better.

Finally, I would like to thank you, all the Deputy Speakers with whom I have worked, and the chairs and members of the select committees I have served, for their friendship, collegiality and good humour, especially in times of tension or difficulty.

The ten years since the expenses scandal and the Wright Report have seen the House of Commons come back from a very low place to being as open and vibrant and independent and outward-looking as at any time in modern history. I am proud to have played a small part in that journey. Whatever happens over the next few months the House of Commons will be at the centre of it, and that is how it should be.

I am confident that the House will continue to thrive as the central institution of our parliamentary democracy, cherishing the old while embracing the new, and holding fast to the recognition that parliamentary service is in the truest sense a form of public service.

Yours ever,
David”.

Hon. Members: Hear, hear. [*Applause.*]

Mr Speaker: An exceptional occasion justifies an exceptional response.

David, I am extraordinarily grateful to you. You have been an outstanding Clerk of the House. You have given dedicated and brilliant public service. I am grateful to you, and I believe everybody in this place is grateful to you.

Members with experience in this place will know that there is an occasion for tributes to the outgoing Clerk. That occasion is not today, but it will come subsequently, and I feel sure that it will involve a very substantial number of Members wishing to participate and to record both their respect and their appreciation of an exceptional public servant.

BILL PRESENTED

EUROPEAN UNION WITHDRAWAL (EVALUATION OF EFFECTS ON HEALTH AND SOCIAL CARE SECTORS) BILL

Presentation and First Reading (Standing Order No. 57)

Brendan O'Hara, supported by Neil Gray, Stephen Gethins, Joanna Cherry, Martyn Day, Tommy Sheppard, Caroline Lucas, Liz Saville Roberts, Ben Lake, Christine Jardine, Layla Moran, Tom Brake and Ian Murray presented a Bill to make provision for an independent evaluation of the effects of the United Kingdom's withdrawal from the European Union on the health and social care sectors; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 25 January 2019, and to be printed (Bill 288).

Freehold Properties (Management Charges and Shared Facilities)

Motion for leave to bring in a Bill (Standing Order No. 23)

1.1 pm

Helen Goodman (Bishop Auckland) (Lab): I beg to move,

That leave be given to bring in a Bill to make provision for the regulation of fees charged by management companies to freeholders of residential properties; to make provision for self-management of shared facilities by such freeholders; to require management companies to ensure shared facilities are of an adequate standard; and for connected purposes.

A couple of years ago, I had a trickle of complaints about the poor upkeep of new estates and unfair fees being charged to homeowners on them. It then turned into a torrent, and latterly into a flood. Constituents of mine who live at Hazelbank, Burton Woods, Durham Gate and Middridge Vale, and now at Castle Vale and Startforth Park, have all been affected. I am grateful to them for alerting me to what I have now discovered is a national problem. I also wish to thank Cathy Priestley, who is sitting in the Gallery. She has set up the national pressure group the Homeowners Rights Network, fondly known as HorNet. She has been campaigning on behalf of homeowners and really understands the problems.

The first issue is that the public spaces are not made up to a proper standard. One man I met is still living on an unmade road after eight years. Promises of green areas, woodland, play facilities and even street lighting are broken. As it happens, County Durham has miles of unadopted roads of terraced housing that were built by mine owners in the late 19th century. Now, we have property developers with the same exploitative disregard for homeowners. We are building the 21st century blight.

Secondly, fees are high, rising, uncapped and unregulated. One constituent told me that their fee had risen from £60 to £134 in four years. At that rate, in 16 years' time it will be £3,316 a year. Another constituent faced a 50% rise in one year. On the Middridge Vale estate, the total payments were £27,000—and that was just for grass cutting. There is a total lack of transparency about the way the fees are made up. Management charges usually exceed upkeep costs, with items such as company admin fees, accountancy, dormant account fees and transfers appearing to be plucked from the air. On one small estate, the actual maintenance costs were less than a fifth of the fees charged. On another, the homeowners found a gardener who would do the work for £400, and the agent promptly added a £400 admin fee. Extra sums are charged for installing TV aerials, and residents have been tied to E.ON as their electricity provider. It all looks like just another way for property developers to screw more money out of hard-pressed households. It is really a private new build tax, so the news that Persimmon boss Jeff Fairburn received a £75 million bonus was greeted with outrage.

The third problem is that when challenged by residents about the fees or upkeep, the management companies adopt an ultra-aggressive stance. My constituents have been bullied with threats of High Court action, or even the bailiffs. This is going on throughout the country: we estimate that 1.3 million households are currently affected. The Government's response to HorNet—that people

[Helen Goodman]

should take up their issues with developers, or that the Government will legislate at some point in the future to give a right of challenge through the first-tier tribunal—is wholly inadequate. Individual citizens cannot challenge multibillion-pound corporations, because the underlying problem is the legal structure, which my Bill would change.

The large property developers, such as Persimmon, Barratt and Taylor Wimpey, are scamming people from the start. Purchasers are offered solicitors who are not truly independent and appear to be contracted by the developers, which the Law Society surely ought to address. Many people feel that they were mis-sold their homes, and this is increasingly looking like another PPI scandal. People are worried that the situation will make it very difficult for them to sell their houses in future, so they have an asset of uncertain value.

The open spaces are initially owned by the property developers, who sell them and the right to manage them on to agents. The same names crop up over and over again: Greenbelt and Gateway. Indeed, one Antony John Dean is the director of 130 such companies. This monopolistic position gives the managing agents the opportunity to mismanage and overcharge with impunity. Some of my constituents have discovered that the land has been put into trusts or covenanted to avoid liability and control its use. The residents are powerless to appoint new agents or influence their behaviour.

Unlike leaseholders, who have access to a dedicated ombudsman service, freeholders have no legal recourse in the event of a dispute. Using old law—in particular section 121 of the Law of Property Act 1925—the agents can place charges on the property if residents are late with payments. It is an incredibly one-sided contract. Homeowners do not have the power to ask for justification of costs, but the management company can legally send in bailiffs or threaten repossession of the home if a resident does not pay on time. This is why people are coining the terms “fleecehold” and “fake freehold”.

Indeed, there is no point in the Government legislating to give leaseholders the right to buy their freeholds unless they strengthen the legal position of freeholders.

My Bill would tackle the problem. To prevent more people from being caught in this trap in future, developers should be required to make up their public spaces to adoptable standards on a reasonable timescale. For existing homeowners, a different approach is obviously needed. First, the Bill would cap and regulate estate maintenance fees to give people the security of knowing that prices cannot increase indefinitely. Secondly, it would introduce measures to ensure that shared facilities are maintained to an adequate standard, to end the “money for nothing” culture of property companies. Finally, it would make provision for the transfer to genuine self-management, to end the stranglehold of managing agents.

The overwhelmingly positive response that I have had from colleagues across all parties demonstrates that this is a national problem. Currently, we estimate that 1.3 million households are affected; given the Government’s ambitions for house building, many more soon will be. We need to grip this problem and act fast.

Question put and agreed to.

Ordered,

That Helen Goodman, Faisal Rashid, Justin Madders, Louise Haigh, Ian Austin, Sir Peter Bottomley, Ian Mearns, Mr William Wragg, Fiona Bruce, Catherine McKinnell, Jim Fitzpatrick and Mary Glendon present the Bill.

Helen Goodman accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 25 January 2019, and to be printed (Bill 289).

Mr Speaker: I had been given to understand that there would be some points of order now, but I do not see any. If anybody wants to raise a point of order, he or she can do so. *[Interruption.]* I was told less than five minutes ago that there would be some points of order, but there are not, and that is absolutely fine. I am simply responding to what I have been told.

70th Birthday of the Prince of Wales

1.10 pm

The Prime Minister (Mrs Theresa May): I beg to move,

That an humble Address be presented to Her Majesty on the seventieth birthday of His Royal Highness The Prince of Wales, to assure Her Majesty of the great pleasure felt by this House on so joyful an occasion.

That the said Address be presented to Her Majesty by such Members of the House as are of Her Majesty's most Honourable Privy Council or of Her Majesty's Household.

That a Message be sent to His Royal Highness The Prince of Wales, to offer His Royal Highness the warmest good wishes of the House upon the occasion of his seventieth birthday, expressing the gratitude of the nation for his lifetime of service to the country and the Commonwealth and praying that His Royal Highness may long continue in health and happiness.

That Mr Speaker, the Prime Minister, Andrea Leadsom, Jeremy Corbyn and Ian Blackford do wait upon His Royal Highness with the said Message.

Over the past 70 years, His Royal Highness the Prince of Wales has played many roles in our national life. As a sailor, he commanded a minesweeper in the Royal Navy. As an airman, he gained his wings with the RAF. As the founder of the Prince's Trust, he has worked tirelessly to help more than 900,000 vulnerable young people turn their lives around. As a farmer and entrepreneur he created and built a successful business, one that turns over more than £200 million a year and whose profits help support charitable causes. And, as heir to the throne, he has unstintingly supported Her Majesty the Queen for many decades, working with and representing our monarch and our country both at home and abroad. Binding those diverse strands together is a common thread; one that is encapsulated in the motto that, for hundreds of years, has adorned the Prince of Wales feathers: "Ich Dien"—I serve.

Throughout the Prince of Wales's life, his commitment to public service has been total. That is true of his royal duties, which see him performing well over 600 official engagements every year. It is true of his work with the Commonwealth, in which he has played an active role for many years. The esteem in which he is held by the Commonwealth was made clear at the Heads of Government meeting earlier this year, when the member states unanimously chose to name him as the next head of the organisation—another role in which I am sure he will excel. It is also true of his wider work. First and foremost there is the Prince's Trust and his other charities, of course. There is also his involvement with groups as diverse as the British Red Cross and the Turquoise Mountain Foundation, which has helped to regenerate the historic centre of Kabul—just two of the more than 400 organisations that he serves as patron.

Yet this public work only begins to scratch the surface of the Prince of Wales's life. He is also an author, an artist, and a sportsman. As a student, when he became the first heir apparent to graduate from university, he also displayed an aptitude for comic acting. I am told that his impression of Peter Sellers' Bluebottle, from his beloved "Goon Show", is particularly on point. He is, I believe, the only public figure to have appeared on both "Gardeners' Question Time" and "MasterChef Australia", not to mention once delivering the weather forecast on BBC Scotland. He has a great and wide-ranging love of music. Indeed, he remarked in 1974:

"If I hear rhythmic music, I just want to get up and dance."

That is something, I am sure, that many of us empathise with.

The more one looks at the prince's life, the more one sees a man who has spent 70 years defying expectations and refusing to be categorised. It is an approach that has seen him delivering a speech in Pidgin to an audience in Nigeria only last week, during an official Commonwealth tour; encouraging his sons to spend childhood holidays collecting litter from the local countryside; and choosing to celebrate his 40th birthday with 1,500 young people from deprived backgrounds. It is an approach that often shows him to be a man ahead of his time.

In one of his first major public speeches, in 1970, the Prince of Wales warned of the

"horrific effect of pollution in all its forms",

with particular criticism reserved for the "mountains of refuse" created by plastic bottles that are used once and discarded. Half a century later, the UK and the world have woken up to the plastic threat and are taking action to tackle it.

In his debating debut at the Cambridge Union, the young prince spoke about the potentially dehumanising effects of technology in the workplace—another issue that is now at the front of many minds as we consider the impact of artificial intelligence. The same foresight can be seen in his long-held views on urban regeneration, on sustainable agriculture, on inter-faith dialogue and on improving the quality of the built environment, each of them issues that, after being raised by the prince, have moved to the mainstream, becoming widely embraced and accepted.

We could not pay tribute to His Royal Highness without mentioning perhaps his most important role of all—that of father and, more recently, of grandfather. Regardless of background or resources, raising children is never an easy task. It is made all the more difficult when they suffer a devastating loss at an early age. So today, as Prince William and Prince Harry make their own way in the world and begin to raise their own families, I know that I speak for all of us when I say that they are a true credit to their father. We as a nation are immensely proud of them, and I am sure that he is too.

On behalf of the whole House, it gives me great pleasure to wish His Royal Highness the Prince of Wales a very happy 70th birthday, and to offer him our very best wishes for the years ahead as he continues his remarkable record of service to his Queen, his country and his Commonwealth.

1.16 pm

Jeremy Corbyn (Islington North) (Lab): It is a pleasure to support this motion. Many people across the country will be wishing His Royal Highness the Prince of Wales a very happy 70th birthday. It might come as a surprise to many that His Royal Highness and I have something in common—we are both, it seems, leaving it late when it comes to career progression, although he has had a lifetime preparing for this role.

People in this country may have varying opinions about the institution of monarchy, but no one would say that being the heir to the throne of the UK as well as of 15 other nations is an easy job. His Royal Highness

[Jeremy Corbyn]

has shown a commitment to public service and charity and a passion for several notable causes throughout his life.

People say the past is a different place, and the Britain of 1948—the year the prince was born—was a very different place from the Britain of today. In many ways, it was a time of great optimism. It was the year of the universal declaration of human rights, which aims to give universal rights to everybody across the globe no matter who they are. It was, of course, also the year of the founding of the national health service, which is celebrating its 70th birthday this year. It was also a time of hardship, with the country emerging from the horrors and destruction of world war two. We had beaten fascism, but there was little rest to be had as work had to be done to rebuild Europe in the aftermath of that war.

In those days, our country was considerably poorer, both economically and culturally, not having benefited from the richness of multiculturalism that we enjoy today. It was, of course, the year that the Empire Windrush docked in Tilbury, bringing people from Jamaica and the Caribbean to start new lives here in Britain. Many of them and their children and grandchildren now form an integral part of our society, our country and, indeed, this House.

In 1948, British towns and cities were still scarred with bomb craters, rationing for food and clothing remained in place and censorship was enforced on stage and in our theatres. Prince Charles might have regretted the ending of censorship when, at a televised awards ceremony in 1994, the late great Spike Milligan, who was a good friend of the prince, infamously described him in words that I am sure, even today, Mr Speaker, you would not permit me to use in the House. Spike later faxed the prince to apologise, asking, “I suppose a knighthood is out of the question now?” Obviously, Prince Charles accepted the apology, because Spike did indeed later get an honorary knighthood.

Throughout his life, the Prince of Wales has committed himself to public service, as the Prime Minister said. The Prince’s Charities, supported by the Prince’s Charities Foundation, comprises 19 different charities. The charities focus on issues from the arts to the natural world. They include initiatives such as the British Asian Trust, which celebrates our country’s openness to the world and aims to help lift people out of poverty both in south Asia and here in Britain.

The trust picks up on another of the prince’s own passions, which I have regularly talked to him about: giving support to young people from all backgrounds and every part of the country. The trust has done unrivalled work in opening up opportunities for young people, helping them to find employment, education and training, unlocking their talents so they are able to lead the lives that they want and deserve to lead.

One example of the work the trust does is at Dumfries House in Ayrshire, where it supports courses for young people, teaching practical crafts such as stone masonry and carpentry. The work done there reminds me of a quote by the Victorian socialist and promoter of such skilled crafts, William Morris, whose work I believe the prince appreciates. Morris wrote:

“I do not want art for a few, any more than education for a few, or freedom for a few.”

Instead of writing people off, as some people are often too willing to do, the Prince’s Trust, its supporters and its hard-working staff have endeavoured to make a real difference to young people’s lives and to provide the support and encouragement that, for whatever reason, had previously been absent from their lives.

The prince has also shown a consistent commitment to our often ignored natural world. As our climate and soils are being destroyed before our very eyes, the prince’s interest in the natural environment has not gone unnoticed. My friend the late great MP Michael Meacher once recalled that when he was an Environment Minister, he and His Royal Highness would “consort” to persuade the Government to do more on green energy. Asked by the press if there was a constitutional problem with a member of the royal family advocating a political opinion, Michael—a committed republican—replied:

“Maybe he was pushing it a bit. I was delighted, of course.”

It is a vital principle that the royal family remains above politics, but Prince Charles is an ambassador for a country that does take seriously the scientific realities of climate destruction. I do wonder whether, if there is anyone on this planet who might be able to get that message through to the President of the United States, it could well be Prince Charles. Indeed, His Royal Highness may be a Knight of the Garter and a Knight Grand Cross of the Order of the Bath, but few accolades can compare to when a brand new species native to Ecuador was discovered in 2012 and named the Prince Charles stream tree frog.

His Royal Highness’s horticultural exploits are well known. As a keen gardener and allotment holder, I can sympathise with the prince’s desire to talk to plants. I have certainly found them better listeners than many Members of this House over the years. It is traditional to give gifts, especially when one reaches a milestone such as a 70th birthday, so I was thinking of giving His Royal Highness a jar of Corbyn Originals jam from my allotment. But I am now suffering from a deep crisis of confidence. Will my jam match up to the standard of the prince’s Duchy Originals jam? I do not know how to deal with this conundrum. If His Royal Highness is listening, perhaps he could offer some advice.

As the Prince of Wales reaches 70, I wish him and his family a very happy birthday on behalf of everyone on the Opposition Benches.

1.22 pm

Sir Henry Bellingham (North West Norfolk) (Con): It is a pleasure to follow two incredibly generous speeches. I absolutely endorse and support everything that has been said so far about His Royal Highness, the Prince’s Trust and the other foundations. I have had the privilege and the honour of working closely with His Royal Highness in my capacity as the MP for North West Norfolk, which includes the Sandringham estate. When I was in the Foreign Office, I also had the privilege of accompanying him on two foreign visits, so I had a chance to see for myself his extraordinary personality.

Sandringham is a large and highly diversified estate that employs a significant number of people in my constituency and generates many more jobs through tourism. It is, without doubt, one of the most innovative estates in the country, with a lot of pioneering work going on around organic farming and soil structures,

habitat management, forestry, coastline and marshland preservation, and eco-housing for rent. His Royal Highness has played a pivotal role in all this, especially on the housing front. The Sandringham estate has built a number of new developments to be rented out—not just to people working on the estate, but to retired people and local people. In this way, it is setting the highest possible standards, and I applaud and salute that work.

His Royal Highness takes a very close interest in west Norfolk and the wider local community, and his advice and input has always been discreet, tactful and very much aware of the local political constraints. On occasions, I have had the opportunity to deal with him myself alongside the local borough council. When we have gone to him for advice, we have always found him incredibly approachable, but above all else is his convening power—a power to bring together different experts. Depending on what the situation demands, he has the experts to bring together, although he also has the most extraordinary knowledge himself.

I do not want to run through a lot of examples, but I should say that his foundation was absolutely indispensable in the redevelopment of King's Lynn town centre, ensuring that we moved from what was going to be a very ordinary design to one that was quite exceptional. The Norfolk coastal footpath provides another example. And although recycling policy may sound very prosaic and boring, his input has been crucial at different times. He has also been involved in our work regarding the Construction Industry Training Board, which has a proud history in west Norfolk. We are doing our level best to persuade the board to keep its presence in west Norfolk, to develop the site and, above all, to make sure that when it puts its training contracts out to tender, we have the right people running those contracts so that we can use the organisation to help with skills and the whole apprenticeship agenda.

Behind the scenes, His Royal Highness has always shown so much interest, huge energy and a great sense of humour. Above all, he has an extraordinary ability to inspire, motivate and bring out the best in other people, so I join the Prime Minister and the Leader of the Opposition in saluting Prince Charles on his 70th birthday.

1.26 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): It is a pleasure to participate in this debate on the Humble Address. I am pleased to join the Prime Minister and the Leader of the Opposition in wishing His Royal Highness—the Duke of Rothesay, as he is known in Scotland—a very happy 70th birthday on behalf of the Scottish National party. I would like to take this opportunity to put on the record the appreciation of His Royal Highness by the people of Scotland, with whom he has had a lifetime connection, and to discuss his commitment to our country. His Royal Highness has always shared with us a rich and emotional history with Scotland, as his historical title of the Duke of Rothesay has traditionally been held by the heir to the Scottish throne.

Throughout the decades, His Royal Highness has been a regular visitor across Scotland, in particular visiting Balmoral, where he spent part of his honeymoon with the Duchess of Cornwall. His Royal Highness has a real affection for Scotland. I recall him once expressing:

“I cannot tell you how much I miss Balmoral and the hills and the air—I feel very empty and incomplete without it all.”

His Royal Highness is not only the Duke of Rothesay, but the Lord of the Isles, and he is a very frequent visitor to the islands. I recall that he spent a week on the island of Berneray in 1987, to be immersed in the art of crofting. He engaged in many of the wide variety of activities that crofters often do, such as planting potatoes, lifting peat and engaging in sheep dipping. I understand from the writings of the time that he very much enjoyed his life on an island croft. May I respectfully say to him that if he wishes to return and help me on my croft, particularly over the lambing time in spring, he would be more than welcome as a guest of ours?

His Royal Highness makes a point of attending the annual Braemar Gathering, which is Scotland's most famous highland games. He was also educated in Scotland, attending Gordonstoun School in the north-east. Today, the Duke of Rothesay remains the Royal Colonel of both the 3rd and the 7th Battalions of the Royal Regiment of Scotland. But His Royal Highness's connections are not just with our beautiful country, but also with our people. Over the years, his dedication to helping advance the lives of people in Scotland through various projects has been invaluable to our society.

The Prince's Foundation recently announced a new partnership with the Royal Lochnagar distillery. For those who have not experienced the whisky, I highly recommend it. The foundation has also been involved in building the new Duke of Rothesay Highland Games Pavilion and a visitor centre that charts the history of Scotland's highland games. Again, I extend a welcome to His Royal Highness; there are many highland games throughout the country, not least in my own constituency, and there is no better way to spend a holiday than by participating in the rich variety of life that happens throughout the highland games season.

His Royal Highness is also a patron of the Royal Botanic Garden Edinburgh, and he has been hugely supportive of its work in its four gardens at Edinburgh, Benmore, Logan and Dawyck.

The Prince's Foundation has created workshops in traditional arts and crafts, with educational facilities for many schools. One notable project that stands out is the support from the Prince's Trust for Dumfries House, saved by the intervention of His Royal Highness, who used £20 million of his own charitable foundation's money and personally brokered a £45 million deal to secure the house for the future. This has helped to create a sustainable business in an effort to support the regeneration of the local economy in east Ayrshire. Your Royal Highness, we applaud you for work in this regard. The outdoor centre there now supports a variety of residential opportunities. The activities and facilities at the outdoor centre help students to develop leadership skills and encourage personal development. The Get Into programmes at Dumfries are part of an effort to get young people aged 16 to 24 who are not in employment, education or training to a positive destination—a worthwhile project and a credit to His Royal Highness's work in Scotland.

While there are many of us here who want to see a different future for our nations, we acknowledge the aspects of our shared cultures, our heritage and our history. For me, this is something we must acknowledge when we look at the role that His Royal Highness has across the UK, but of course also in Scotland.

[*Ian Blackford*]

Today, His Royal Highness celebrates his 70th birthday—a remarkable milestone for all who reach it, but particularly for someone who is so dedicated to a lifetime of public service. I thank His Royal Highness for his friendship with Scotland. On behalf of my party and all those we represent, I warmly wish him all the very best on this special day and for many years to come.

1.31 pm

Richard Benyon (Newbury) (Con): It is a great privilege to follow the generous addresses that we have just heard.

For decades, the Prince of Wales has been a champion of the natural environment, and I want to take a moment of the House's time to comment on that. Some people have pejoratively described it as meddling; I would call it contributing. He has been way ahead of most of us on many of these issues. He was talking about the danger of plastics in our oceans decades ago. His work on greenhouse gas emissions and climate change caused, at times, criticism—but again, he was way ahead of his time. Now he speaks a language that really has a remarkable affinity right across the political divide in this country. He raised these issues when it was unfashionable to do so. There is also his work on promoting the circular economy, which is now being mainstreamed by all parties in this House, moving away from the “extract, use, dump” culture to one that really does deal with how we use our natural resources in this country. In his book “Harmony”, which he co-wrote with Tony Juniper, he connected the environment with related issues such as health and wellbeing in a way that was really prescient for its time.

Let me conclude by mentioning—I think that this has already been commented on—his power as a convenor. There are very few people in this world who have the power to say, “There is a problem, which we need to talk about,” and world leaders, captains of industry and cultural figures will then jump on a plane to go to any corner of the world to engage in that problem. I have seen at first hand how he has been able to do that on issues such as oceans and fisheries and wildlife crime, with the extraordinary work of his International Sustainability Unit.

I am not a constitutional expert, so I cannot say what is or is not possible in the future. However, I want to take this opportunity to thank His Royal Highness for what he has provided and, I hope, will continue to provide—that is, thought, dialogue, reason and challenge.

1.33 pm

Sir Vince Cable (Twickenham) (LD): It is a great privilege to join these tributes to the Prince of Wales. As somebody who crossed the milestone of a 70th birthday some years ago, I suggest that this is very much an opportunity for celebration rather than regret. Let me also add from personal experience that it should not represent a glass ceiling for progression to a bigger job. I have to say that in my five years in the Cabinet, I never received one of those letters in spidery handwriting requesting that I take action. I do not know whether to be offended or relieved that I did not.

I did have an opportunity, however, to see at first hand many of the achievements that stemmed from the prince's commitment to helping disadvantaged young

people—in particular, the role played by the Prince's Trust, which was absolutely crucial in, for example, making a success of the start-up loans scheme, which operates with the British Business Bank and has launched thousands of young people with an opportunity to begin a life as entrepreneurs.

Several colleagues have already made a point of acknowledging the prince's contribution to environmental thinking. We need to stress that he showed some courage in doing so—going way, way ahead of his time—while making the important point that we have to think about these issues both globally and locally. He has challenged many of the threats to the planet, but he has also sought to apply his thinking in practice in such gestures as taking his sons litter picking, for example. I add to the Prime Minister's comment about the contribution he has made by bringing up his sons in this tradition of public service and commitment to tackling some of our difficult contemporary issues. We see this now in the excellent work by the two princes through the Royal Foundation in fields like mental health and early intervention.

Finally, I acknowledge the fact that the prince has been willing to tackle some very sensitive but important issues that directly bear on the royal family, most notably his advocacy of the fact that the role of the monarch should be the defender of faiths rather than the single faith. I wish to add my tribute and wish him and his family every happiness.

1.36 pm

Bill Grant (Ayr, Carrick and Cumnock) (Con): It is a great pleasure and a privilege, on behalf of myself and my constituents, to wish His Royal Highness the Prince of Wales—or, indeed, the Duke of Rothesay, as he is better known north of the border—many happy returns on his 70th birthday.

His Royal Highness is a weel-kent and welcome face in Scotland. He has taken a considerable interest in the architectural heritage of this nation, not least in preserving for the community and the nation the beautiful Dumfries House in my constituency. In hosting events such as the annual Boswell book festival, farming conferences and a recent Police Scotland seminar, Dumfries House remains a focal point for the whole community in East Ayrshire. It also stimulates tourism and is an excellent source of employment and training locally, which is vital. His Royal Highness has given hope and opportunity to many, many young people.

The prince has also embraced and supported other projects locally, working in New Cumnock in partnership with the Sir Tom Hunter Foundation and others towards the restoration of the beautiful red sandstone of New Cumnock town hall, as ever utilising good-quality construction and design methods. Also in New Cumnock, he was a driving force for not so much the refurbishment but the rebuilding of the New Cumnock outdoor swimming pool—which will be the best in the United Kingdom, I am sure, and is well worth a visit. The Prince's Foundation also supports the very popular Cumnock Tryst music festival held there each year, which celebrated its fifth anniversary this very year.

On behalf of the residents of Ayr, Carrick and Cumnock—and, indeed, Scotland—I would very much like to wish His Royal Highness many happy returns on

his threescore years and ten today. Finally, as a former firefighter, I would ask His Royal Highness to be careful with the candles on his cake.

1.38 pm

Nigel Dodds (Belfast North) (DUP): On behalf of my right hon. and hon. Friends, and the people we represent in Northern Ireland, I am delighted to speak in this Humble Address and to endorse what has already been said by the Prime Minister, the Leader of the Opposition, and the other speakers so far. We express our heartfelt congratulations and best wishes to His Royal Highness the Prince of Wales on the occasion of his 70th birthday.

His Royal Highness has, over the course of his entire life, shown total devotion to supporting Her Majesty in the discharge of her duties both at home and abroad, and he has made a massive contribution in his own right to the role of the monarchy in our national life and across the globe.

In addition to supporting Her Majesty the Queen, with an almost unrivalled schedule of duties and commitments, he champions many important causes that have helped to transform the lives of countless people across the United Kingdom. His has been a life of duty that has earned His Royal Highness the thanks of a grateful nation. He has had a truly enriching impact upon our country, our precious Union and our Commonwealth, transcending borders, language and generations. His pursuit of the causes of peace, prosperity, the countryside and the environment has touched the lives of so many.

For me, one of the highlights of his work was the founding of the Prince's Trust, which to this day continues to support those most in need in our society. I have no doubt that Members from all parties can testify to the amazing impact that the Prince's Trust has had on the lives of their constituents and in many communities. For those facing homelessness, health problems, educational disadvantage or difficult times, the Prince's Trust has often been there to put their lives back on track.

His Royal Highness holds a special place in the hearts of the people of Northern Ireland, shown by the warmth with which he has been received on his countless visits to Ulster. During the darkest days of our recent past, His Royal Highness continued to visit Northern Ireland very regularly in the face of threats and danger. It is his willingness to support those who suffered so much at the hands of terrorism, combined with his own personal loss, that made him a figure of so much admiration. A particularly poignant quote that has stuck with me came from the families of the victims of the Omagh bombing, who said on His Royal Highness's visit to the site of the bombing, "It shows he hasn't forgotten our suffering." His Royal Highness has exemplified the qualities of duty, sacrifice and service to our country, and for the future may he and his family know God's richest blessing.

Several hon. Members *rose*—

Mr Speaker: I gently point out that there are a number of Members standing and seeking to catch my eye who did not indicate any intention to take part in these exchanges. It seems rather curious for a Member not to have put in to speak but suddenly to bob. It is

simply not in conformity with our procedures, and we have a Second Reading of a Bill. I hope I have made the position clear.

1.42 pm

Adam Afriyie (Windsor) (Con): I shall keep my words brief. Windsor is home to the military in the form of the Household Cavalry, which is the presentation regiment for the royal household and the protection unit, and to the monarchy, with Windsor castle being the longest continuously inhabited castle in the country.

It strikes me whenever I meet the prince just how dedicated he is to public life, over so many years and to so many different causes. The Prince's Trust takes care of disadvantaged youngsters by providing entrepreneurial loans so that they can make their own way in life, which is a fine thing to do. His passions for the environment and architecture are well known.

Prince Charles has a strong heart and a good heart, with a strong voice in convening people around the issues in which he believes. We know in this place just how challenging it can be to speak out on key issues—one is often condemned if one does, and condemned if one does not—and yet the prince has managed to speak out on many issues, without causing offence, and in a way that opens up areas for public debate that we may otherwise not have opened up.

In this place we are volunteers, and yet the prince has taken on his duties and his responsibilities through a sense of commitment to the country. On behalf of the residents of the Windsor constituency, and on behalf of myself and other Members, I wish Prince Charles a very happy birthday.

1.43 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): You may ask, Mr Speaker, why somebody committed to Welsh independence and an elected Head of State would want to take part in this debate on the Humble Address. One of the main lessons I have learned in politics is that it is always wise to be nice to one's constituents. As Members may know, the Welsh residency of His Royal Highness is situated in the north of my constituency, in the Tywi valley. He is held in huge regard by many of my constituents, and I know that he shares my deep love for the county of Carmarthenshire and the Tywi valley in particular.

I have met the prince on several occasions, and he is a deeply intelligent and humorous person. I will share one short story with the House. I met him for the first time soon after being elected in 2010, at the opening of Frank's Ice Cream in Carmarthenshire, which makes the best ice cream in Wales, if not the world. In the line-up to meet the prince was my father, who is the local county councillor, Councillor Kevin Madge, the leader of Carmarthenshire County Council, and myself. As the prince worked his way down the line, he got to me; the lord lieutenant whispered in his ear that he had just met my father, and the prince said, quick as a flash, "Ah! Hereditary".

In all seriousness, whatever anyone thinks of the monarchy as an institution, the prince's lifetime of commitment to public service is something to be commended, and I am happy to do so on behalf of my party today.

1.45 pm

James Heappey (Wells) (Con): I want to briefly express my admiration for the Prince of Wales and all his work on climate change, the environment and our oceans. In particular, I want to thank him and his wife, Her Royal Highness the Duchess of Cornwall, for their great patronage of our nation's armed forces and the ships, regiments and squadrons of which they are colonels.

I have seen at first hand just how close a relationship they have with those regiments and the personal interest they take in not only the lives of the men and women serving in those units, but their families, those who have served in the units previously, those who are bereaved as a result of soldiers, sailors and airmen serving in those units being killed in action and those who have been injured in the course of their duties. On behalf of my constituents and all those soldiers, sailors and airmen who hold both His Royal Highness and Her Royal Highness the Duchess of Cornwall in such high regard, I wish him a happy birthday.

1.46 pm

Seema Malhotra (Feltham and Heston) (Lab/Co-op): I rise to pay my respects and to wish His Royal Highness a very happy birthday, as well as to acknowledge all the work he has done on the environment and his interfaith work, sometimes against being popular, to ensure that there is the respect for all faiths that our country needs at every level of our society.

I want briefly to mention the prince's work in supporting teachers and excellence in teaching, particularly through the Prince's Teaching Institute. That institute and its chief executive, Chris Pope, have been very important and supportive in a project that we have started in Hounslow, Hounslow's Promise, which supports social mobility, education and employability. The support and interest of the prince and his charity make a huge difference in our local endeavours. It is a mark of the prince that he takes a great interest in how what he does nationally makes a difference locally. For that reason, I wish him a very happy birthday and hope that his family enjoy their celebrations.

1.47 pm

Rebecca Pow (Taunton Deane) (Con): I apologise for my error, Mr Speaker—I thought that we did not have to put in to speak in a Humble Address debate. I will be very brief.

I was driven to speak because I grew up on a family farm that belonged to Prince Charles, so we were effectively his tenants; perhaps I should declare an interest. It was a wonderful farm on which to grow up. Prince Charles is such an advocate for farming, and his farms are prevalent in the west country. He should be applauded for the ease and insight with which he engages with the farming community.

I remember when he came to our farm one time. It was all top-secret, but we were invited to lunch with him, and he engaged, with great insight, with everybody

on every subject to do with farming. I was also pleased that, of all the puddings on the table, he chose mine to eat.

I want to pay tribute to his wider work in the rural community. Prince Charles really understands why we need our rural communities to remain vibrant. He does a great amount of work on that through his Duchy College and his skills, training and apprenticeship courses. That is very important.

Colleagues have mentioned the prince's work on the wider environment and nature, biodiversity and wildlife, and he has really helped to get soils on the agenda. All his climate change work has to be applauded. As others have said, he was ahead of the game on that, and many people are now following on the work he began.

The prince has a great interest in horticulture and gardening, and he is a great advocate worldwide. The UK is the home of gardening, and to have somebody in our royal family who is an advocate for it is brilliant for the tourism that it attracts and the wider industry. He has a show garden at Highgrove. I was lucky enough to go there with the Somerset Gardens Trust. It is a tremendous place to visit, if people get the chance. It is a tremendous advert for us worldwide. I share something in common with Prince Charles: he talks to his plants, and so do I. I do not see anything wrong with it. On that note, I wish him a very happy birthday and a blossoming next few decades.

1.50 pm

Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): As you are aware, Mr Speaker, I represent a far-flung and far away part of the British Isles. It is on behalf of the people who live there that I want to thank the Prince of Wales, the Duke of Rothesay. For some years, he has been coming to stay in his grandmother's old home, the castle of Mey in Caithness. He loves that castle as much as one can imagine. He comes in August, and every time he takes the trouble to go on a series of visits to businesses, enterprises and such like right throughout my constituency. The time and trouble he takes on those visits to talk to everyone beggars belief. In fact, I do not think he ever has lunch. One of the things I do is put a Mars bar in my pocket.

The prince's schedules almost always overrun because he is so busy saying hello to absolutely everyone. I cannot tell you, Mr Speaker, how much that means to my constituents. We are far, far away from London. I think what lies behind it is that he feels at ease in my part of the world. I feel easy with him, and there is a real thread of kindness. The milk of human kindness is there, and that is appreciated by my constituents. On behalf of the good people of Caithness, Sutherland and Easter Ross, I wish him many, many happy returns. It is my privilege to do so.

Mr Speaker: I think that completes the contributions on this important matter.

Question put and agreed to, nemine contradicente.

Healthcare (International Arrangements) Bill

Second Reading

1.51 pm

The Minister for Health (Stephen Barclay): I beg to move, That the Bill be now read a Second time.

This is a short Bill, with six clauses, to enable continuity of healthcare for British nationals and EU citizens after Britain leaves the European Union. It is clearly in the interests of the British public to ensure reciprocal healthcare arrangements continue when we leave the EU, whether that happens through an agreement with the EU itself or through individual agreements with EU member states. By enabling us to implement those arrangements, the Bill will help us to help nearly 200,000 British pensioners living in EU countries to continue to access the medical treatment that they need, and it will mean that the hundreds of thousands of British citizens who require medical treatment each year during holidays in Europe can still be covered for medical assistance when they need it.

The Bill will help to ensure that UK nationals who live and work in EU countries can continue to access healthcare on the same basis as local people. It will mean that EU citizens can be covered for reciprocal healthcare here, so that the UK continues to be a place tourists want to visit and vital workers, such as our NHS workforce, want to live in. The Bill will also mean that we can continue to recover healthcare costs from Europe as we do now.

Henry Smith (Crawley) (Con): A few years ago, I presented a private Member's Bill on the recovery of costs under the European health insurance card scheme. More than half of NHS trusts did not record the treating of foreign nationals at all so that they could claim back on those reciprocal arrangements. Can I get an assurance that, under the new arrangements, the NHS will be properly refunded for the care it provides to those from other countries?

Stephen Barclay: My hon. Friend makes an important point. Perhaps I should declare that, when I was a Back Bench, I tabled a number of parliamentary questions on that very issue, relating to my hospitals and to claiming. We pay out around tenfold what we recover. I will come on to that point, but part of the Bill relates to the NHS's increased focus on the issue, which he is correct to raise.

Reciprocal healthcare agreements benefit people in all regions and nations of the United Kingdom. The Department of Health and Social Care currently funds and arranges EU reciprocal healthcare for people from England, Scotland, Wales and Northern Ireland. The Bill will allow us to continue doing that, if agreed with the EU. We have been working for some time now with the devolved Administrations and will of course continue to do so to ensure that we legislate for reciprocal healthcare in a way that fully respects the devolution settlements.

We can all agree that access to healthcare is essential both for British nationals living in European countries and for EU citizens living in the UK. The Bill will also allow us to strengthen existing reciprocal healthcare agreements with non-EU countries and explore new arrangements. As the Prime Minister said last night, the

negotiations for our departure are now in the endgame and we are working to reach an agreement. As Members would expect, we are continuing to make the necessary preparations for all scenarios. It is in everyone's interests to secure a good deal, but it is the job of a responsible Government to prepare for all scenarios, including in the event that we reach March 2019 without agreeing a deal.

In the event of no deal, the powers in the Bill will help to implement deals with EU countries that will seek to provide continuity of care for UK nationals and avoid a cliff edge. The powers will enable the UK to act swiftly to protect existing healthcare cover for British nationals in the EU, the European economic area and Switzerland, whether deals are made with the EU or individual member states. That is in the interests of everyone and, most importantly, will benefit millions of UK nationals who live, study, work or travel in mainland Europe.

British people who have paid their taxes in the UK their whole working lives and have retired to Spain, France or other EU countries should not have to worry about healthcare and how much it is going to cost them. Similarly, the millions of British people who travel to mainland Europe each year should be able to do so with the peace of mind that the European health insurance card scheme brings. These schemes are popular across the UK. There are currently 27 million EHIC cards in circulation in the UK, with 5 million issued each year. Reciprocal healthcare arrangements enable UK nationals to access healthcare whether they live in, work in or visit EU countries.

The current arrangements involve EU member states reimbursing one another for healthcare costs. We support UK nationals in the EU by spending approximately £630 million a year on healthcare for British expats and tourists. At present, we recover £66 million each year from EU member states under the same rules, but that amount is increasing as the NHS gets better at identifying EU visitors and ensuring that the UK is reimbursed for care provided, which speaks to the point that my hon. Friend raised. It is a net spend because many more British pensioners and tourists go to Europe than the other way around.

It is clearly in the interests of the British public to ensure that reciprocal healthcare arrangements similar to those currently in place continue when we leave the EU. The Bill does not affect the UK's ability to negotiate or enter into international agreements, and the details of any new reciprocal healthcare arrangements will remain subject to negotiation and parliamentary scrutiny.

Until now, the majority of UK-EU reciprocal healthcare has been enabled by EU regulations. Once we leave the European Union, the EU reciprocal healthcare arrangements will no longer apply in the UK in their current form and we will need new legislation to provide for future arrangements. With a deal, the withdrawal agreement will enable the continuation of existing reciprocal healthcare rules during the implementation period, and afterwards for people covered by that withdrawal agreement, but it is not a long-term arrangement for the British public as a whole, does not provide for the event of the withdrawal agreement not being concluded and does not cover healthcare arrangements with countries worldwide.

The UK already has important agreements in place with Australia, New Zealand and many of our Crown dependencies and overseas territories and the Bill will

[Stephen Barclay]

help us to strengthen those, should we wish to, or seek new arrangements with other countries. The Bill underscores the Government's commitment to reaching a robust reciprocal healthcare agreement with the EU.

This is important and necessary legislation, introduced so that the British public can look to the future with confidence that they will get the healthcare they need, when they need it. I commend the Bill to the House.

1.59 pm

Justin Madders (Ellesmere Port and Neston) (Lab): Of course, the Opposition welcome any efforts to safeguard healthcare for the estimated 190,000 UK expats living in the EU and the 50 million or so nationals who travel abroad to EEA countries each year. We have concerns about some clauses, which we will address in Committee. It is 874 days since the UK voted to leave the EU, although for many of us it seems a whole lot longer. It is also a year since the European Union (Withdrawal) Act 2018 was introduced, so it is a matter of some concern that this Bill is only now being introduced.

As the Minister rightly said, the Bill gives the Secretary of State wide-ranging powers, including the power to amend primary legislation through a Henry VIII-style clause, but it places no obligation on the Secretary of State to report back to Parliament, even in the event that a reciprocal deal cannot be reached. That, combined with the scope for extensive use of statutory instruments under the negative procedure, represents to us an unacceptable lack of parliamentary oversight of an issue that will impact on the daily lives of millions of people. The Secretary of State ought to have learned from previous attempts that this Parliament does not react kindly when asked to sign a blank cheque. We will, therefore, seek to ensure that any new powers granted are proportionate and that all regulations are subject to the affirmative procedure.

We recognise the need for this Bill, because without a reciprocal agreement, UK citizens living in the EU, and vice versa, could find themselves having to pay for and make complicated arrangements to access healthcare in the country in which they live or that they visit. The biggest impact will be felt by the 190,000 state pensioners living abroad, and by those with long-term health conditions who could be prevented from travelling for business and leisure by prohibitively high insurance costs. There does appear to be some doubt about the figure of 190,000. The DWP website Stat-Xplore, which provides details of UK pensioners across EU and EEA countries, shows the figure for the EU27 as 468,793 in May 2018. I would be grateful if the Minister offered some clarification on that discrepancy.

We support the Government's aim of retaining the current model of reciprocal healthcare. We are, however, extremely concerned that, with just over four months to go until we leave, there is still a great deal of uncertainty about whether all the hoops can be jumped through. Although the arrangements may continue as part of a withdrawal agreement if it gets through Cabinet, Parliament and the rest of the EU, there is just as much chance that we will need a whole new set of arrangements, which could radically alter the situation.

The Government's impact assessment seems seriously to underestimate the consequences of a no-deal scenario, and I would welcome clarification from the Minister on that when he sums up. There are a number of reasons why I say that. As one would expect, the impact assessment sets out that the cost of establishing a future reciprocal healthcare arrangement on the same basis as the current one would be around £630 million per year, which is about the same as the cost of the current arrangements. However, the impact assessment goes on to say that, in the event of a no-deal scenario, the costs are expected to be similar or less, depending on the number of schemes that are established. Assuming that we still need and want to have an agreement with every country with which we do now, that would seem to imply that fewer people might need treatment. I doubt that even the biggest advocates of a no-deal Brexit would claim that leaving the EU without a deal will somehow miraculously lead to an upturn in people's health.

Some clarity from the Minister would be appreciated, because the impact assessment appears completely to underestimate the complexity and cost of implementing what might end up being a diverse array of agreements. When they gave evidence to the House of Lords European Union Committee, the British Medical Association and the Royal College of Paediatrics and Child Health were clear that should no EU-wide reciprocal agreement be achieved, the significant costs of establishing bilateral reciprocal arrangements with EU and EEA countries would fall on the NHS. The BMA said:

"Managing access to health services by non-EU citizens is bureaucratically more burdensome than managing access for EU nationals currently"

which,

"in the event that the current reciprocal arrangements with the EU were to be discontinued, could have considerable resource and administrative implications for hospitals in both the UK and the EU."

I therefore ask the Minister why those associated potential administrative costs have not been included in the impact assessment.

Expenditure on UK state pensioners and their dependants accounts for approximately 75% of the total amount that we spend on reciprocal healthcare and supports UK state pensioners and their dependants living in Europe. In 2016-17, that equated to an estimated £468 million. The Department for Health and Social Care has accepted that the system is extremely cost-effective for the UK, not least because treatment overseas is often cheaper than it is in the UK. For example, Spain's latest average pensioner cost is €4,173, compared with £4,396 in the UK. If we were unable to reach a full agreement, there would be two likely outcomes. In some cases, UK expats would face having to fund private medical insurance. However, in many cases, particularly for those with chronic conditions or complex healthcare needs, such insurance could be prohibitively expensive, if it could be found at all. In those cases, the planning and funding provision for those individuals would fall on the NHS.

Analysis by the Nuffield Trust has found that, if British pensioners lost their healthcare cover in EU states and had to return to the UK to access care, the additional annual cost to the NHS could amount to as much as £1 billion. The trust also predicts significant additional resource implications. It said in a report from 2017:

“Looking at relative hospital demand by age group, we might expect 190,000 people to require 900 more hospital beds and 1,600 nurses, as well as doctors, other health professionals, and support staff such as porters. This number of additional beds would be equivalent to two new hospitals the size of St Mary’s Hospital in London.”

The implications for and potential demand on resources if arrangements are not made are huge. Of course, if the higher figure for pensioners in the EU is correct, those demands could more than double.

The European health insurance card benefits everyone who travels from the UK to EEA countries, but it is particularly beneficial for those with long-term conditions. The Academy of Medical Royal Colleges has set out that the EHIC enables such individuals to do so

“without the need for expensive travel and health insurance.”

One example of that is the 29,000 patients in the UK who receive kidney dialysis, typically three days per week. For those 29,000 patients, who can currently access dialysis across Europe—from Rotterdam to Rome—taking away the EHIC would take away their freedom. Travelling for work, for leisure or to visit family would be prohibitively expensive for them if we were not able to reach a comprehensive reciprocal healthcare agreement. Even if the Government were able to negotiate bilateral agreements, it would be of little comfort to a kidney dialysis patient who wished to attend a family wedding in Italy if they could access treatment only in France, Spain or Ireland.

The BMA and others have set out that patients with disabilities would be among the most affected if there were no reciprocal healthcare agreement. According to the BMA, without the EHIC, people with disabilities could find that travel or health insurance was

“especially expensive and potentially difficult to arrange”.

The Law Society of Scotland has reported that more than a quarter of disabled adults already felt that they were charged more for travel insurance, or simply denied it, because of their conditions. It is a matter of concern that the impact assessment does not explore the consequences of not reaching a deal for disabled people and those with long-term conditions. I therefore call upon the Minister to ensure that such an analysis is undertaken as an early priority.

Another question mark that hangs over the entire process is how dispute resolution will work, in either a deal or a no-deal scenario. Throughout the entire Brexit process, one of the red lines in the negotiations has been the role played by the European Court of Justice. However, I have yet to hear any suggestion about how, if we manage to reach a full reciprocal healthcare agreement with the EU27, disputes could be resolved without some reference, ultimately, back to the ECJ. The same would apply to bilateral agreements. If, for example, we reach an agreement with Spain and there is a disagreement about a payment made or the administration of the scheme—that could happen from time to time—who will determine which side is in the right?

When he gave evidence to the Health Committee, Martin McKee, professor of European public health at the London School of Hygiene and Tropical Medicine, considered this dilemma and said that

“as the two simplest ways”

of resolving dispute resolution

“have been ruled out by the Prime Minister, I do not see how you can do it.”

What kind of dispute resolution procedure does the Minister envisage either in a full agreement scenario, or in the case of bilateral agreements with individual states? Can he confirm whether the Government’s position is still that the ECJ will have no jurisdiction over such issues?

Clause 4 provides a legal basis for processing data to facilitate any agreements after the UK leaves the EU. Although facilitating data processing is a necessary element of any reciprocal agreement to support the making of payments for healthcare outside the UK, I note that appropriate safeguards are referred to in the Bill, and I ask for clarification about what those safeguards are and how they would work in practice. We have concerns that the Bill appears to allow the Secretary of State to hand personal data to private providers and to allow private providers to process that data. We will look to explore that further in Committee if the Minister, in winding up, is not able to satisfy us on the need for those powers, the extent to which they will be used, and what safeguards will be applied.

Another issue we will face, particularly if we are not able to agree a full reciprocal agreement, is cost recovery. Members have already referred to the challenges on that. The BMA set out clearly to the House of Lords Committee that:

“Managing access to health services by non-EU citizens is bureaucratically more burdensome than managing access for EU nationals currently”,

and that

“in the event that the current reciprocal arrangements with the EU were to be discontinued...could have considerable resource and administrative implications for hospitals in both the UK and the EU.”

As I set out before, it is deeply concerning that this potential challenge does not appear to have been considered in the impact assessment. Even under the current arrangements, cost recovery is something that we do not appear to have handled satisfactorily and the fault lies with the Government.

In 2012-13, the NHS charged only about 65% of what it could have done to visitors from outside the EEA and Switzerland, and only 16% of what it could have done to visitors from within that area. I accept that things have improved since then, and that the Department set itself a recovery target of £500 million overall and £200 million for EEA and Switzerland patients, which it hoped to achieve by 2017-18, but it still appears to be well behind on those targets. I would therefore be grateful if the Minister could advise us on the latest projections for that. He mentioned a figure of £66 million earlier, but it was not clear which particular period that related to.

The Law Society of Scotland was clear on the importance of this issue when it gave evidence to the Lords Committee. It said:

“as the NHS has never been very effective in reclaiming the fees owed to it by overseas visitors to the UK, the UK may find itself substantially worse off financially when new arrangements for funding cross-national use of health services are put in place.”

Even the Health Minister in the other place admitted that there was a “job to be done” on cost recovery. Irrespective of Brexit, it is deeply concerning that millions of pounds that should be spent on UK patients by the NHS is going to waste because of a failure to get a grip on cost recovery.

[Justin Madders]

Giving evidence to the Public Accounts Committee, NHS Improvement said that it was going to monitor charging and cost recovery, and intervene where trusts have not met their statutory obligations. Will the Minister advise us on whether it has done so? If there is an additional administrative burden on the NHS in setting up new systems of cost recovery, will the Minister give a commitment that NHS providers will be adequately compensated?

It is a concern that the Bill gives the Secretary of State wide powers with little recourse to Parliament. Where are the checks and balances if the NHS ends up having to police 27-plus different sets of arrangements? What if the deals reached end up costing far more? What if our cost recovery continues to lag well behind what it should be? There needs to be greater parliamentary oversight of all these issues.

The importance of getting a good deal on reciprocal healthcare is more significant in the countries where it is accessed most, none more so than in the case of the island of Ireland. For anyone who has visited some of the more rural areas along the border between Northern Ireland and the Republic of Ireland, as I did during the summer, it is clear the extent to which crossing the border is a part of day-to-day life for those communities. The border area has a dispersed population of around 2 million people. Currently, this combined population offers the economies of scale necessary to provide health services, which would be completely unsustainable were a hard border to be put in place. Cooperation and Working Together, a partnership of health services from both sides of the border, has set out clearly that there are many examples where patients' lives have been saved because of free and open access for emergency services across the border. If we do not get the right agreement in place, there is a real danger that we could see a situation where one ambulance drives up to one side of the border and another from the other side meets it to transfer a patient. These are the very practical implications of the Bill we are discussing today.

Reciprocal healthcare arrangements on the island date back to before the UK and the Republic of Ireland joined the EU, but they are now underpinned by EU law. We welcome the commitment by both Governments to ensure that the current arrangements will continue after Brexit, but the UK Government have yet to explain clearly exactly how they will approach these issues in practice. The border issue has clearly been a sticking point in the overall negotiations, so we will have to monitor very closely what the final deal says on that.

I want to say a few words about devolution. The Scottish and Welsh Governments have clearly and robustly articulated their support for a continuation of reciprocal healthcare agreements. I would be grateful if the Minister could set out the extent to which he has engaged with the devolved Administrations as part of that process. The House of Lords Committee was clear in its recommendations that there should be active participation of the devolved Administrations in setting the UK's position on future arrangements, but I am not aware that anything has taken place to date. The Bill gives wide-ranging powers to the Secretary of State, but places no obligation on him to consult or engage with the devolved Administrations before making regulations.

What assurances can the Minister give us that that will take place, particularly well ahead of any new arrangements being put in place?

In conclusion, this is a very short Bill, but one that will have far-reaching implications. The Secretary of State is asking for powers, which will have a direct influence on the day-to-day lives of hundreds of thousands of people without providing us with clarity on how he will use them. The Bill has been two years in the making and yet the impact assessment provided is totally insufficient, if not inaccurate, and there seems to have been little appreciation of the complexity of the task at hand or the implications if things go wrong. All of that is amidst the deal or no deal circus we have at the moment. The Government are asking for the powers to make agreements with other countries, but they cannot get an agreement around the Cabinet table. We will see, possibly by the end of the debate, whether that turns out to be correct.

We are in no doubt that the continuation of reciprocal healthcare is absolutely essential. We will not oppose the progress of the Bill today, but we will press for the safeguards needed to ensure that proper regulations and oversight are put in place, and that the interests of patients are protected.

2.15 pm

Sir Roger Gale (North Thanet) (Con): I welcome this paving measure, which I think will give significant comfort to many thousands of mainly elderly and often very frightened United Kingdom expat citizens mainly in Europe, but also around the world. For reasons I will not bore the House with, I have a very extended network of contacts with the expat community mainly within European Union countries but also worldwide. I want to concentrate for a few minutes mostly on those people.

The people I want to talk about are expat United Kingdom citizens who by and large have spent their working lives paying taxes and national insurance here in Britain, and who, for reasons of family, health or sun, have moved to France or Spain. There is also a significant community living throughout the rest of the European Union and one should most certainly not overlook the needs of those who are resident in the EU for professional purposes. Those include all manner of circumstances, for example people working for companies or on Her Majesty's service in one form or another. The degree of uncertainty that has surrounded their healthcare futures has been considerable and very worrying. I do not think we can over-egg that.

I want to raise one specific concern, which relates to the emphasis on reciprocity. I say that because I happen to chair the all-party group on frozen British pensions. A frozen pensioner is one who is living in any country other than the United Kingdom and is entitled to a UK pension, but who receives that pension frozen at the point of departure unless there is reciprocity. For example, a pensioner living on one side of the Niagara Falls in Canada has their pension frozen, whereas a pensioner living on the other side in the United States has their pension uprated in line with inflation. What I do not want to see is that situation replicated in this deal, so that we get a second class healthcare system whereby people in some countries within the European Union get healthcare while others do not. I hope very much it will be possible to strike a deal with the remaining

27 European Union countries, rather than cherry-picking each country and then having to work out who is entitled to “free” healthcare and who is not. That would be a nightmare. If we are going to get this right, and we must get it right, we have to make sure that everybody is covered.

Tourists fall under a slightly different category. Tourists who go right around the world expect to take out health insurance for their travel. I see no reason why they should not do so and why they should not do so in the European Union countries once we have left.

For those who choose to live in countries such as France, Spain, Greece and Italy in the European Union, we have to make very special provision. I would therefore like to take this opportunity to ask my hon. Friend the Minister to make sure that we do not allow this measure, which is very valuable indeed, to become subject to the law of unintended consequences. We must roll as smoothly as possible from EHIC to a new system that is fair to the taxpayer. I take entirely the point that this cannot be a blank cheque, but we must make sure that the elderly and vulnerable, who have chosen to live overseas having paid their taxes here, are well, truly and properly covered.

2.19 pm

Martyn Day (Linlithgow and East Falkirk) (SNP): Clearly, Brexit threatens the loss of reciprocal healthcare arrangements for millions in Scotland and across the UK. As a bottom line, the Scottish National party believes that all current reciprocal health agreements must remain intact, regardless of what form Brexit takes. The Bill is yet another rushed job on the part of the Government. In their panic, they have woken up to the fact that millions across the UK and thousands of expats abroad, particularly pensioners, could face having either no access to healthcare within the EU or paying exorbitant costs for treatment. It is another example whereby no contingency planning was done prior to the Brexit referendum.

With an estimated 900,000 to 1.2 million UK citizens living in the European economic area and 3.2 million EEA citizens residing in the UK, Brexit will potentially have severe ramifications for them and the NHS. Approximately 27 million active EHIC cards are in circulation as of September 2017. They are used to pay for around 250,000 medical treatments each year. Ensuring that all current reciprocal health agreements remain intact and in place must be the bottom line regardless of what form Brexit takes.

The consequences of a no-deal Brexit on healthcare are yet one more example of why this extreme Tory Brexit is not worth the cost. In evidence to the House of Lords EU Committee, a representative from the Association of British Insurers gave a rough estimate that in a no-deal scenario, travel insurance premiums for EU travel could increase by 10% to 20%. A no-deal scenario will end up restricting the travel arrangements of those with underlying health conditions and disabilities. In such a scenario, the British Medical Association said that the insurance issue will be

“a particular concern for those with disabilities or long-term conditions, as the cost of health and travel insurance for those with pre-existing conditions could be prohibitively high.”

The Bill’s impact assessment concludes that in a no-deal scenario:

“If UK citizens in the EU are treated as 3rd country nationals (i.e. they cease to have rights of movement and access to services in EU Member States, and are treated like citizens coming from

non-EU countries) some may face additional financial costs or difficulties accessing healthcare services, with potential implications for their health and wellbeing.”

That is something none of us wants to see.

Reciprocal healthcare arrangements must not be viewed as affecting only those who live or travel abroad. The impact of a no-deal Brexit would have a devastating effect on our NHS services at home. The agreement in the joint report does not provide long-term assurances regarding the future of the EHIC. As things stand, health insurance will stop for millions of UK citizens post-Brexit.

While the UK Government have stated their commitment to securing ongoing access to the EHIC, the EU has been unwilling to agree to that due to the Government’s stance on freedom of movement post-Brexit. The UK would also be a significant outlier were it to retain access to reciprocal schemes while ending freedom of movement. The SNP position on single market and customs union membership would, of course, remove all such obstacles.

If these healthcare schemes were removed, it would inevitably lead to massive pressures on the NHS, as UK citizens return home to receive treatment. Those pressures are compounded by the impact of the health workforce reduction, which has seen England and Scotland lose 19% and 14% of EU doctors respectively and a 90% drop in EU nurses registering to work in the UK.

As we have heard, the UK contributes around £630 million annually towards UK citizens’ care and receives £50 million—I think the Minister mentioned £60 million—for care provided to EU nationals in the UK. The BMA and the Nuffield Trust has estimated that if the UK did not conclude a withdrawal agreement with the EU, and were all these pensioners to return to the UK, the NHS would need some 900 additional beds and 1,600 nurses to ensure sufficient capacity. All in all, providing this additional healthcare would amount to somewhere in the region of £1 billion.

Current EU nationals living in the UK could face losing access to health facilities. First, their residency was threatened and now their healthcare rights are in danger; we must give them peace of mind and security. Were the UK to lose access to existing reciprocal arrangements and no alternative be established, EEA citizens living in or visiting the UK would also face a significant change in their access to care. Depending on the deal secured between the UK and the EU on citizens’ rights, this could mean that EEA residents might face the same costs and terms of access to the NHS as other non-EEA visitors and migrants do currently.

The Scottish Government have never been opposed to common frameworks, but these must be agreed in discussion and with the consent of the devolved Administrations. I was grateful to hear the Minister’s commitment to working with the devolved nations in this regard. We all understand the desperate need for all these reciprocal healthcare agreements to continue and the Scottish Government will work with the UK Government to ensure that they do.

Through the Joint Ministerial Committee, we believe that a common framework system can be achieved that ensures these specific health agreements can be administered through common agreement between the UK Government and the Scottish Government.

[*Martyn Day*]

Many issues need to be resolved for this to happen effectively, particularly if we are forced to deal with a no-deal Brexit. For instance, in Scotland, unlike in England, certain categories of resident non-EU overseas patients are exempted from healthcare charges, including the self-employed, volunteers and students. In Wales and Northern Ireland, regulations provide similar exemptions, and in Northern Ireland they clarify that entitlements are applicable both to primary and secondary care.

As Professor Jean McHale told the Lords inquiry on this very issue, post-Brexit

“if there are no reciprocal agreements on healthcare made with other EU member states and treatment is sought other than in an emergency situation then certain EU citizens could be exempt from NHS charges for secondary care...if they are living in Scotland, Wales and Northern Ireland whereas this would not be the case in relation to those resident in England.”

In conclusion, I am not opposing the Bill, as it basically just gives powers to the Secretary of State to agree reciprocal deals, and I look forward to the Bill Committee where we can progress those further. However, I point out that today's business is another example of otherwise unnecessary work related to Brexit coming before us. This prompts the question of just how much time and effort is being put into such work that could have been used for other things, had we not been going through the Brexit fiasco. I believe that we will not get a better reciprocal arrangement deal than we currently have.

2.26 pm

Sir Robert Syms (Poole) (Con): I welcome the Government bringing forward the Bill. This is clearly part of a suite of legislation to prepare for the changes that Brexit will bring about. It is also pretty critical that at the end of the day, a deal is done to allow this to work in a smooth and effective fashion.

Brits like to travel; over 50 million go abroad. Most of them go with family members, and many retire abroad. Those who do not come to Poole may go to the Costa Blanca or elsewhere, and health for older residents is one of the big concerns. The European health insurance card system has worked pretty well. There is no point, just because we object to some aspects of European integration, objecting to other aspects that may be beneficial to our citizens and those of the EU, so the Government's intent to try to replicate the system—whatever happens with Brexit—is very sensible and good. The fact that a quarter of a million people used the EHIC card last year indicates how important that is for many people.

I welcome what the Government are doing. It is a necessary precaution. I do not begrudge spending a bit of time in this House dealing with the concerns of older people retired abroad or of Brits who want to travel, so it is important to get the Bill through today. This measure will only be for two or three years and then there will be further legislation. Some Opposition Members talk about the Secretary of State being given powers, but we are living in slightly extraordinary times, and I suspect that we will come back to legislation in this area in a couple of years.

The Government are doing a very sensible thing. I hope that it is part of an overall agreement, because that would be the easiest way to do it. Clearly, if we have to do this on a bilateral basis, that will take longer and there may well be cliff edges that cause problems for some pensioners. Therefore, when Members sometimes say that there must be a deal when they are already somewhat committed to voting against a deal, I wonder whether they ought to look at the detail of what will happen if we have no deal. This is one of the areas that will cause problems for Brits who live abroad and travel abroad and for some EU people who come to the UK as tourists. We should understand that this country benefits greatly from the tourist trade. We have only to walk around London—around Leicester Square and other areas not far from here—to see the many thousands of people who travel. They, too, need peace of mind.

This is a good piece of legislation, then, but I agree with my hon. Friend the Member for Crawley (Henry Smith) that the ethos of the NHS is such that it does not like taking money off people, even when it should. I once stood in A&E and watched an American take out a credit card, only to be told, “You don't need to do that here.” Sometimes people are busy and want to get on with their jobs and deal with backlogs, but there is an issue with us getting proper recompense. The former Health Secretary made a good point: it is a national health service, not an international health service.

Some years ago, when I was serving on the Health Select Committee, we interviewed chief executives of trusts, and they said there was a problem sometimes with the disproportionate cost of pursuing fees and that some people actually come to London on holiday who happen to be pregnant and who end up in London hospitals at a cost to the British taxpayer, so the health service does sometimes attract people who try to take advantage of the system as well.

The figures from the Library are stark. We pay out 10 times more than we claim back from the EU and the other states in the scheme. Although some of that is because there are older people abroad and Poles tend to have six jobs and be younger, some of the figures are still quite remarkable.

Dr Sarah Wollaston (Totnes) (Con): Does my hon. Friend accept, though, that the majority of the difference is due to the disproportionate number of British pensioners living abroad compared to the number of EEA foreign nationals living here as pensioners?

Sir Robert Syms: That is a factor, but I still think that a 10:1 ratio is quite high. London has the second-largest French population, behind only Paris, yet we claim back only £5.3 million from France. That is quite a stark figure, and one wonders why we are not claiming back rather more. I gently make that point. I know the Minister is aware of it. When we redo this, we have to emphasise to trusts the requirement to recoup money, because that means more money for British people using the service and for other services, but sometimes it falls down the priority list. I am not sure there is a magic bullet. It probably requires drilling lots of people in A&Es up and down the land to focus on whether people should be paying or getting free treatment.

In conclusion, I welcome the Bill. It is a good step forward. It will help to reassure those concerned about what the future will bring, and I look forward to seeing what the Government bring back on Third Reading.

2.32 pm

Wera Hobhouse (Bath) (LD): We have heard many comforting words from the Government today, but there is nothing comforting in the proposals in the Bill. If we Brexit, UK citizens here and abroad will lose their rights to automatic healthcare in other EU countries. The automatic right to healthcare in Europe has been one of the visible successes of the single market—a peaceful continent and EU countries working together. If we Brexit, new healthcare arrangements will need to be negotiated with the EU or EU countries individually, and the Bill is intended to make it possible for the Government to negotiate those new arrangements.

The Government intend to do this by using Henry VIII powers. Today could be the last time this Parliament discusses how 70 million UK citizens can go abroad and receive, or not receive, healthcare while there, not to mention the non-UK EU citizens who live in or travel to the UK. We have been through this debate before. Henry VIII powers are the preferred route for a Government who want to bypass parliament and get Brexit through at any price, including the price of democracy. This debate comes at a time when the Government are proposing a deal with the EU. There were only ever three possible outcomes for the UK in this negotiation: no deal, Brexit in name only, or staying in the EU. It looks like the Prime Minister has gone for Brexit in name only, although of course she will not call it that.

Brexit in name only means staying in the customs union and the single market, and it could mean retaining healthcare within the EU. That would be good news. The bad news is that no UK Minister or bureaucrat will be around the table with the EU27. We will be receiving our instructions, and that is it. When the EU decides changes, we will be notified and have to implement the changes. Henry VIII powers will be a way to hide our national humiliation.

The political question is why anybody would vote for Brexit in name only. It is not just a fudge; it is the worst of all possible worlds. It will, perversely, do the opposite of taking back control; it will keep us in complete dependency but without any say. Many parliamentarians have woken up to the fact, or have known for a long time, that our only secure economic future and the only way to guarantee all the rights we have negotiated, including free healthcare, lies in being a member of the EU. As we have heard today, rather than getting a Brexit dividend from the NHS, the new arrangement might end up being extremely costly for this country.

Why do we not dare to say it loud and clear? Not saying it loud and clear is dishonest; Brexit in name only is dishonest. To do something dishonest and call it the will of the people is a travesty. Only the people themselves should decide what is done in the name of the people. Let us ask the people. Let us give the people a say on whether they really had all this in mind when they voted in 2016. Let us give people a chance to decide that when all is said and done they want to stay in the EU. And of course that would make the Bill completely unnecessary.

2.36 pm

Dr Sarah Wollaston (Totnes) (Con): I will be supporting the Bill today. I am only sorry it is necessary. There is no version of Brexit that will benefit people who rely on

the NHS, social care, scientific research or public health; there are only varying degrees of harm. The Bill seeks to address one of those harms, and that is around our reciprocal healthcare arrangements, which have made such a difference to people's lives both here and across the EU. As the hon. Member for Linlithgow and East Falkirk (Martyn Day) pointed out, 190,000 UK expats live in the EU and 27 million people hold an active European health insurance card, which covers about a quarter of a million treatments every year, but we are also talking about British citizens who travel or live in the EU to work and the 1,300 people who benefit from planned medical treatments in the EU under the S2 route.

I will turn first to the 190,000 British expatriates, mostly pensioners, living in the EU. Incidentally, 90% of them live in Ireland, Spain, France and Cyprus. They face a desperately worrying future. In the event of a deal, they will be covered by transitional arrangements until 2020, but in the event of a chaotic exit, with no deal and no transition, in just 135 days they could be left stranded, many of them with access only to very basic medical care. Some of them will be uninsurable and many will have no easy path to return to the UK.

The Minister will know that, as I mentioned to my hon. Friend the Member for Poole (Sir Robert Syms), 75%—£468 million of the total £630 million in 2016-17—of the cost of our reciprocal healthcare arrangement relates to pensioners. When he sums up, will the Minister please respond to the updated estimated cost of those pensioners having to return to the UK and the net effect on the NHS? The Health and Social Care Select Committee heard that the current average cost of treating a UK pensioner in Spain was €3,500, but the average cost of treating pensioners in the UK was £4,500, and again the discrepancy between the pounds and euros makes that even greater.

In the future, the costs associated with EHIC—£156 million—and the S2 route for planned medical treatments will be borne directly by the 50 million UK nationals who visit the EU every year, but those costs will not be distributed evenly. The costs will fall disproportionately on those with pre-existing medical conditions. They will be exceptionally hard hit. As we heard from the hon. Member for Ellesmere Port and Neston (Justin Madders), many individuals will be effectively uninsurable and unable to travel. Will the Minister tell us what clear advice the Government are giving to people with pre-existing medical conditions who are thinking of making travel arrangements after 29 March? Is he being explicit with them, and telling them that they need to check now whether they may find themselves left stranded without medical insurance in the event of our crashing out in a chaotic exit with no deal whatsoever?

I recognise and welcome the fact that the Bill gives the Minister power to put in place an equivalent scheme, but that scheme will have to involve a dispute resolution process. In the deal that is about to be published, has the Minister seen what that process would be? Another thing that he needs to be very clear about when he sums up the debate is that if we crash out with no deal and no transition, we will not be making these reciprocal arrangements with a single body; we will be making them with 27 different European states, three European economic area states, and Switzerland. Is it even conceivable that we could complete negotiations on that scale with

[Dr Sarah Wollaston]

135 days to go? We need to be really clear with Members throughout the House, and to the public, about what that means, so that people can make plans accordingly. May I also ask whether the Minister is setting aside, within the contingency fund, a sum of money that we could use to assist British nationals who find themselves in difficulties on the wrong side of the channel in the event of no deal and no transition? Those are all important points about which we must be very clear with people.

Does the Minister agree that during the referendum campaign there were very many different versions of Brexit? The Brexit reality with which we are about to be presented is very different from the fantasy version that was presented during the campaign. People will remember the “easiest deal in history” and the “financial bonanza” for the NHS, but the Brexit reality is that there will be a significant Brexit penalty, from the most damaging form of Brexit in particular. We are looking at effects across the entire health, care and research system. Yesterday I met representatives of the Royal College of Nursing to discuss their grave concern about the future workforce. While the overall number of registrants has increased, there has been a very worrying decrease in the number of joiners in the past year. The number of joiners from EEA countries has dropped by nearly 20%.

Mr Jim Cunningham (Coventry South) (Lab): The Royal College of Nursing has been on to me as well, expressing serious concern about what will happen after we leave the European Union. The hon. Lady should add to her earlier question, “What will happen after 2022 in relation to medical care for expats in Europe in particular?”

Dr Wollaston: That is, indeed, a question that I have been addressing. What will happen to expats in Europe? What we absolutely must focus on, however, is what will happen 135 days from now if we do not have a deal and people are left high and dry. It is a very worrying situation.

The issue of the workforce does not just affect nursing staff. We should bear in mind that 5% of members of the regulated nursing profession, 16% of dentists, 5% of allied health professionals and 9% of doctors are EEA nationals. We cannot afford to lose any more of that workforce, or to demoralise them further. I think it shames us all that the Health and Social Care Committee heard from nursing staff from across the European Union some of whom were in tears when reporting that they no longer felt welcome here. That is a terrible Brexit penalty, and no one voted for it when they went to the polls.

This does not just affect the workforce either. The Brexit penalty applies to the entire supply chain of medicines and medical devices, from research and development to clinical trials, to the safety testing of batches of medicines, and right through to the pharmacy shelf and the hospital. There are many unanswered questions about the issue of stockpiling, and about contingency plans for products that may require refrigeration, or products with very short shelf lives that cannot be stockpiled. There may also be brand-switching issues: for people who suffer from conditions such as epilepsy, switching brands is not easy.

I am sorry, Madam Deputy Speaker. I will bring my remarks to a close shortly. *[Interruption.]* I understand that you were merely coughing, Madam Deputy Speaker, so I will continue.

Refrigerated warehousing and special air freight do not come cheap. The companies whom we met, represented by the Association of the British Pharmaceutical Industry, made it clear that they were already having to spend hundreds of millions of pounds on contingency planning. The Government have said that they intend to reimburse companies, but the smaller companies need to know how quickly they will be reimbursed, because they may have cash-flow issues. They need to know the details of how the scheme will work, but they simply do not have the information that would enable them to make plans for the future. I hope that the Minister will be very mindful of that.

As I said earlier, the simple truth is that the many versions of Brexit have very different implications for the NHS, for social care, for public health and for research. Once this deal is published, we will have an opportunity to set out what this means, but, most important, to set all the risks and benefits of the deal that is on offer for the NHS and social care. The Minister will be aware of the important principle of informed consent in healthcare. No one would dream of going into an operating theatre and having an operation without someone telling them what is involved and setting out the risks and benefits so that they could weigh them up for themselves. That is called informed consent, and without informed consent, there is no valid consent.

Let me say to the Minister that we are all being wheeled into the operating theatre for major constitutional, economic and social surgery without informed consent, and let me ask him please to consider how things will be 136 days from now, after we crash out with no deal and when the serious consequences of that start to unfold and unravel and hit real people's lives. What will he be saying to his constituents and the House if we have proceeded without informed consent?

Madam Deputy Speaker (Dame Rosie Winterton): I have now to announce the result of today's deferred Division. In respect of the question relating to electricity and gas, the Ayes were 285 and the Noes were 223, so the Question was agreed to.

[The Division list is published at the end of today's debates.]

2.48 pm

Paul Masterton (East Renfrewshire) (Con): It is, as always, a pleasure to follow my hon. Friend the Member for Totnes (Dr Wollaston). She speaks with incredible knowledge and expertise in this area, which I will not even attempt to match.

It is nice, on a day of significant Brexit chattering and uncertainty, to be talking about something to do with Brexit which generally seems pretty consensual. The Bill is, of course, necessary to ensure the smooth transition from our current relationship with the EU to our future relationship. The Government have been very clear about their willingness to consider the continuation of the UK's participation in reciprocal healthcare. As we have already heard today, there are 32 participating

countries in that framework, the other EU member states and all four nations in the European Free Trade Association. It is a mechanism to provide for the co-ordination—not, of course, the alignment—of separate national health systems, which means that provision under the scheme can differ from country to country.

There are four main routes for EU and EEA citizens to access healthcare in member states other than those in which they are ordinarily resident: the European health insurance card—EHIC—the S1 system for state pensioners, the S2 system for planned treatment, and the patients' rights directive. UK nationals living, working, studying or visiting EU or EEA countries and Switzerland will have continued access to healthcare after 29 March 2019. That is a vital commitment.

The Government's position is to seek a wider agreement with the EU that covers state pensioners retiring to the EU, with continued participation in the EHIC scheme and co-operation on planned medical treatment. The Bill would allow for the implementation of such an agreement. My hon. Friend the Member for North Thanet (Sir Roger Gale) when talking about ex-pats summed up clearly why that is such an important issue for individuals who have lived here and paid their taxes here and moved abroad; they need to know this system will continue to be available to them.

There were approximately 27 million active UK EHIC cards in circulation in September 2017, including the one in my pocket. Of the 53 million visits made to the EU from the UK each year, and the 25 million visits from the EU to the UK, only around 1% result in an EHIC claim. I am glad this Bill establishes the basis for a new arrangement allowing the scheme to continue after 2020, subject, of course, to an agreement with the EU. There are 250,000 medical treatments each year and when abroad, regardless of how well we know the country in question, it can be quite frightening to find ourselves in need of medical treatment; there is enough to be thinking about without not knowing what our access to healthcare will be.

I had experience of that myself in Portugal on my stag-do. I will not go into the story as to why we ended up in a Portuguese hospital, but it involved a roof and a shoe—we will go no further. It is good to know with some confidence that we are going to be able to access healthcare; we should always make sure we are covered by insurance and so forth, but having that extra bit of comfort is extremely important. It would be hugely damaging for us as a country going forward post Brexit not to have that level of assurance for our citizens.

The Minister set out in detail what the Bill will do, so I will not run through that, but he confirmed why this is a necessary agreement, particularly because the European Union (Withdrawal) Act 2018 does not provide all the powers and mechanisms needed to do this. The Bill provides the Secretary of State with the powers that are necessary to arrange for the provision of healthcare overseas, and, crucially to fund that, which is important. This is needed regardless of whether we are in a deal or no-deal situation. It is also important to note that, as the Minister said, we have arrangements with other countries, and making sure we have the power not only to continue what we have at the moment but to add to or improve arrangements with other countries is significant.

Fundamentally, this Bill means that UK nationals residing in another state may obtain treatment as a resident of that country. The range of medical services in some EU countries may be less than under the NHS, and in some cases patients might need to make a contribution towards the costs of their care, but through this Bill we can ensure access to healthcare at reduced cost, and in most cases for free.

I want to pick up briefly on the points about devolution made by the Labour shadow Minister and the SNP spokesperson. They were fair comments. While this is a reserved mechanism, the provision of these services is devolved and it is the devolved Administrations that have to provide structure and fund the services for EU nationals who rely on them, so it is not a massive step to ensure that they are appropriately involved. I would be interested to hear about how we are working with the devolved Administrations and the healthcare providers in the devolved nations to ensure seamless continuity of this going forward.

2.53 pm

Eddie Hughes (Walsall North) (Con): I want to make a brief but enthusiastic speech in support of the Bill. It is a pleasure to follow my hon. Friend the Member for East Renfrewshire (Paul Masterton), although I have to admit to being mildly distracted by the tales of his stag-do in Portugal. I look forward to concluding my speech and finding out more details about that later.

An odd place to start would be my constituency, where 20% of constituents do not have a passport, and therefore do not get the opportunity to travel and have any concerns about reciprocal healthcare arrangements. However, they do need to worry about the healthcare arrangements that are provided in this country. Any country that might wish to engage in reciprocal arrangements with us will no doubt be looking jealously at our health service, which I understand employs 1.5 million people, making it one of the five biggest organisations on the planet. Clearly, it is an incredible organisation. We are spending over £100 billion a year on it, so why would other countries not want to enter a reciprocal arrangement with us? We have a lot to offer.

There has been some question about what the Brexit deal will be and what the future might look like next year, when we leave the EU. My right hon. Friend the Member for Wokingham (John Redwood) has made this point a number of times: if you were to sit down with your iPad now with nothing better to do and try to book a flight for next year to Europe, you would have no difficulty doing so at all. We do not know what the arrangements are for international travel yet. We have not seen the detail of that, in terms of what has been signed and agreed, but we know planes will take off and will land in Europe and I think we are fairly confident that people will be able to get healthcare when they go to Europe and that there will be no unusual situation where ambulances drive up to one end of the border and hand a patient over. That is not likely to be the case, so let us bring a degree of practicality to the debate. That is what the Bill does: it is a practical Bill in order for us to make the necessary preparations because we are, of course, leaving the EU. It is necessary partly because 25% of Brits who travel abroad do not have holiday insurance. Perhaps they are taking a bit of a flyer and hoping that those reciprocal arrangements will be the safety net that protects them.

[*Eddie Hughes*]

I have a particular concern because that 25% figure rises to 40% for 18 to 24-year-olds and 38% for those aged between 18 and 30. I am the father of two kids, aged 22 and 27. I think it is very unlikely that if they were travelling to Europe they would have the common sense to book travel insurance, despite protestations by their father. So I am hoping that we achieve those reciprocal arrangements, not least because my understanding is that nine of the 10 top holiday destinations abroad for Brits are in Europe—if it were not for New York, the top 10 would be entirely in Europe. So we are leaving the EU, but we are not leaving Europe.

Dr Wollaston: Does my hon. Friend accept that at the moment people do not need to have health insurance as they are covered by the EHIC? The fact is that they will need to have such insurance if we do not have a deal. People who travel thinking and believing that they are insured next year may find, if they have a serious medical emergency abroad, that they are completely wiped out by the medical costs. We need to be clear about that with people.

Eddie Hughes: I completely understand, and to a degree accept, that point, except that I perhaps have more faith than my hon. Friend in the ability of our ministerial team and Government to negotiate an agreement with Europe that will mean that those worries are allayed. I confidently believe that the arrangements will be very similar.

Vicky Ford (Chelmsford) (Con): I intervene on an extremely important point. The EHIC does give reciprocal care, but it is not the equivalent of health insurance. If someone has a very serious accident, it does not pay for the travel costs, for example, of coming back to the UK, which other health insurance policies would do. So while this is fantastic and I will be voting in favour of it, it is not the equivalent of having traditional health insurance.

Eddie Hughes: I thank my hon. Friend for making that point. I want to conclude my speech by saying that I am optimistic not only that we will get a good deal and these fears will be allayed, but that post Brexit people will look further afield than Europe for their travel destinations. Not only will we be getting trade deals across the globe, but we will be travelling more widely.

2.59 pm

Gillian Keegan (Chichester) (Con): It is a real pleasure to follow my hon. Friend the Member for Walsall North (*Eddie Hughes*). Like him, I am optimistic about securing a Brexit deal and continuing our international healthcare arrangements. Since the 1950s, the UK and its European neighbours have had reciprocal healthcare and social security arrangements, and I have personally made use of many of them, having spent years living and working in European countries. Good reciprocal healthcare arrangements give peace of mind to all of us, and they will be important as we continue. Current arrangements give all UK nationals a sense of security and the knowledge that they can access the healthcare they need when they live, study, work or travel across Europe. The same

applies to EU citizens when they are in the UK. Healthcare co-operation is therefore actively supporting business and tourism by removing a barrier to people's life choices. Arguably the greatest beneficiaries of these arrangements are our citizens who live on the continent, many of whom are enjoying their golden years in the sun.

The framework put in place by the Bill will ensure that the Secretary of State has the necessary power to maintain or negotiate arrangements in any Brexit eventuality. One of my constituents recently emphasised the importance of having these arrangements. His grandmother, who is now over 80, lives alone in France. A few years ago, she had a car accident that left her seriously injured. She required an operation and spent over a month in hospital. That was followed up by time in a convalescent home. All that care would have cost a small fortune but, luckily for her, she enjoys healthcare under the European health insurance card S1 route. Access to that is fundamental to her and to the other 190,000 pensioners like her, particularly as their health needs may increase over time. The Bill should calm the anxieties of our citizens abroad. It will also save the taxpayer money. The Nuffield Trust has calculated that, if those pensioners had to return home for their treatment, it would cost the NHS between £500 million and £1 billion a year.

Similarly, continuing the European health insurance card scheme is crucial as it safeguards the 50 million UK nationals who travel throughout the European economic area every year. It is worth mentioning that this is not about the number of people who carry EHICs; it is about the stories behind them, because 250,000 medical incidents affecting UK tourists are resolved via the EHIC scheme and they include one of my constituents, who experienced at first hand the value of the cards when on a family holiday in Germany. Her husband was left seriously injured after being flung from a toboggan, leaving his shoulder quite literally in pieces. To her amazement, and despite the severity of the injuries, her husband was allowed on to the ambulance only once she had presented his EHIC. These sorts of accidents are quite common with many Brits choosing to travel to Europe to ski, which often leaves people—myself included, twice in recent years—in need of medical attention.

I welcome the Bill, as we have a long history of reciprocal healthcare arrangements in our country. UK and Irish citizens have been able to access healthcare in each other's countries for the past 100 years—a long time before the European Union was established. The UK also has reciprocal healthcare arrangements with other parts of the world, including Greenland, the Faroes, the Balkans, Australia, New Zealand and many of our overseas territories. The Bill will allow the Secretary of State to continue to grow this network, and I hope that it will eventually lead to the global availability of free healthcare for British citizens, and to removing barriers to people looking to travel, work, study and live around the world.

3.3 pm

Vicky Ford (Chelmsford) (Con): I want to speak briefly in support of the Bill. There are 190,000 UK expats living in other parts of the EU, many of whom are retired, as well as 50 million British citizens who

travel to the EU on their holidays and on business every year, and they all need access to healthcare. Since 2004, they have been able to benefit from the European health insurance card, which has made it much easier for them to access medical care when travelling through the EU, and it is extremely important that we do all we can to ensure that our citizens can continue to benefit from easy access to healthcare, whether they are at home or overseas. I therefore welcome the Bill, and the fact that it gives us the ability to extend these provisions to other third countries.

Last year, I led a Westminster Hall debate on the wide array of consumer issues that would need to be dealt with in the Brexit negotiations. At that time, I felt that a lot of the focus was on the impact on business, and that not enough consideration was being given to the impact on consumers. I have been rereading the speech that I gave in that debate more than 12 months ago, and I am extremely pleased that the issues that I raised in it were then addressed by the Government's White Paper before the summer. I believe that those points will now have made their way into the 500-page text that the Cabinet are looking at today. I am not going to comment on those 500 pages of text until I have seen them, because unlike some colleagues, I do not have magic reading glasses that allow me to read text that is not even available or to comment on it before I have even seen it. However, I will be looking out for the elements that affect individuals, consumers and patients, to ensure that they are covered in the deal. I believe that they will be, and the EHIC is just one of those issues.

It is important that we do not go over the top and promise that the EHIC can do things that it cannot do. For example, it does not cover repatriation, so anyone who has a crash on their skiing holiday would get emergency care under the scheme but they would not be covered for getting back to their home base. In my previous role as a Member of the European Parliament, I remember that we issued a press release every summer telling people not to forget their EHIC but also to think about whether they needed travel insurance as well. Members are completely right to say that, in a no-deal scenario, many other issues would face patients and that the most vulnerable people risk being the most exposed. If the cost of travel insurance does go up, it could be most challenging for them, but I am glad that Ministers are looking at that issue.

While the Health Ministers are in the Chamber, I should like to give them a big shout-out and thank them for certain other things. Somebody talked earlier about nurses. Nurse training is happening in my constituency. I know that the Minister for Health has previously talked about ensuring that there is additional funding for those entering the nursing profession after they have finished their qualification to ensure we recognise those in nursing areas where we need nurses most. I am glad that he has done that. I also want to say a big thank you today for the announcement from the NHS about diabetes monitors. That has been a major issue for some of my constituents. We must ensure that constant monitors, such as the one our Prime Minister wears, are available across the country. I was really pleased by today's announcement. I want to say thank you very much to the NHS and to our Ministers and thank you for getting the devil that is in the detail of the Bill correct today.

3.8 pm

Julie Cooper (Burnley) (Lab): I am grateful for this opportunity to close the debate on behalf of Labour. It is clear that Members on both sides of the House understand the importance of the Bill. The UK currently enjoys reciprocal agreements for the provision of healthcare with all the nations of the European Union. Under existing arrangements, the healthcare of 190,000 UK state pensioners living abroad—principally in Ireland, Spain, France and Cyprus—and their dependent relatives is protected. In addition, UK residents who visit the EU or the European economic area on holiday or to study may use the European health insurance card to access healthcare for emergency treatment and healthcare needs that arise during their stay. Anyone who is ordinarily resident in the UK qualifies for an EHIC and 250,000 claims for medical treatment are made each year under this scheme. By the same token, EU nationals visiting the UK can use their EHIC to receive free care from the NHS for any emergency healthcare needs and for healthcare needs that arise during their stay. I am grateful to the hon. Member for Chelmsford (Vicky Ford) for reminding the House that the card does not cover repatriation and other associated expenses, but visitors to the EU can currently be reassured that their immediate emergency costs will be met. That is something that we would seek to protect.

By means of the S1 form and the EHIC, current arrangements also provide for the healthcare of employees of UK companies and organisations working in the EU and the EEA, as well as for that of frontier workers living there, and vice versa. Importantly, the agreement also provides funding for UK residents to travel overseas to receive planned treatment in other countries—for example, for procedures unavailable in the UK within a medically justifiable timescale, or to return home to give birth.

Providing for pensioners, visitors, students and workers to live, work, study and travel in EU member states with complete peace of mind with regard to the provision of healthcare is a priority for Labour. We therefore support this Bill in principle, although we are quite shocked that we have had to wait so long for it, given that there are only 135 days left until the UK exits the EU. It is essential that we seek to safeguard, through agreement with EU member states, the healthcare of the 190,000 expats and the 50 million who travel abroad every year. I do not for one moment think that anyone here would want to contemplate the consequences if an agreement were not possible when the UK exits the European Union. We therefore welcome the Government's intention, as outlined in the White Paper on the future relationship with the EU, to continue a reciprocal healthcare arrangement by means of an agreement with the EU, the EEA and Switzerland.

We are concerned, though, about the scope of the Bill. It includes no detail of specific reciprocal arrangements, although at this stage we understand why it is not possible, in the absence of any certainty, to outline such details. We will not seek to block the Bill, because we want to ensure the seamless continuation of reciprocal healthcare arrangements, but we are not prepared to give the Government carte blanche to secure any agreement at any price. We are not prepared to hand them a blank cheque.

We are concerned that the Bill includes no requirement for the Secretary of State to report back to Parliament. Nor does it incorporate any facility for parliamentary

[Julie Cooper]

scrutiny, even in the event that a member state decides not to reciprocate. The British Medical Association shares our concerns on this point. It rightly maintains that the discretionary powers granted to the Secretary of State in the Bill should be proportionate and subject to thorough scrutiny, and that all regulations should be subject to the affirmative procedure in Parliament. We also have concerns about the protection of patient data, and we wish to ensure that appropriate safeguards are in place in the Bill. We will look to address those concerns in Committee.

The Health Secretary is on record as saying with confidence that this is one part of the Brexit deal that is resolved. I welcome his confidence and that of the hon. Member for Walsall North (Eddie Hughes) on this—I wish I had their confidence. However, the Secretary of State does offer the proviso that that is “so long as we land a good deal.”

That is surely the crux of the issue, given the current uncertainty about whether we will get a deal at all.

I hope the Minister is able to give some reassurances on this issue, because the failure to facilitate a reciprocal arrangement for healthcare would be catastrophic for UK citizens seeking healthcare routinely within the nations of the EU. The thought of 190,000 expats losing their right to free healthcare is unthinkable. As the Minister rightly said, UK citizens have paid their taxes all their lives, and they need and deserve the certainty of the right to free healthcare and of knowing that it is protected. That is something the hon. Member for North Thanet (Sir Roger Gale) was keen to support, and we agree with him. It is unthinkable that expats living in the EU should be reduced to the status of third country nationals in a queue for healthcare. Similarly, the 50 million visitors to the EU each year will need certainty, as the hon. Member for East Renfrewshire (Paul Masterton) pointed out—I am sure the whole House is interested to hear more about his stag trip. Without a reciprocal agreement in place, costs for citizens overseas may well be prohibitive, and there are obvious implications for health insurance premiums.

We are also concerned about the impact on our NHS in the UK if expats need to return here for treatment. Our system is already having to cope with unprecedented demand, and the thought of adding to that is something we are concerned about. I reiterate the concerns of my hon. Friend the Member for Ellesmere Port and Neston (Justin Madders) that the issue is not covered in the impact assessment. We also know that no assessment has been made of the impact on disabled citizens and those with pre-existing medical conditions.

Importantly, neither is there any mention, as the hon. Member for Totnes (Dr Wollaston) said, of how any future disputes will be adjudicated. The Prime Minister has ruled out the future involvement of the European Court of Justice, so we are concerned about this issue going forward. Perhaps the Minister can advise us today which body he envisages being used to adjudicate in any such event. We also hope that the Bill can be used to outline processes for the efficient collection of moneys owed to the UK under any future arrangements for reciprocal healthcare.

We look forward to addressing these concerns in Committee. We want to see this Bill go further and be used as an opportunity to strengthen reciprocal

arrangements further and to provide for enhanced arrangements with other nations worldwide, in line with the UK's ambition to extend its range of trading partners.

3.16 pm

The Minister for Health (Stephen Barclay): With the leave of the House, I thank everyone who has spoken in the debate. This is a short and sensible Bill, which will ensure that the Government have the appropriate legal framework to give effect to a deal in relation to reciprocal healthcare arrangements, which so many of us, both here and abroad, enjoy. I am grateful for the support in principle for the Bill from both sides of the House, including from the Opposition Benches.

The level of interest in and the contributions to the debate demonstrate that it is clearly in the interests of the British public to ensure that reciprocal healthcare arrangements similar to those currently in place continue when we leave the EU. A number of questions have been raised in the debate, which I will endeavour to answer in my closing remarks. However, as my opposite number, the hon. Member for Ellesmere Port and Neston (Justin Madders), pointed out, we will have an opportunity in Committee to scrutinise those questions in more detail. He raised a number of very pertinent points, which I will be keen to explore with him.

I would like to reiterate the offer I made in a recent letter to all Members of the House to have meetings with me and the team of officials working on the Bill if they want to explore the Bill in more detail. I recognise—this point was picked up by my hon. Friend the Member for North Thanet (Sir Roger Gale)—that this issue genuinely concerns constituents of Members on both sides of the House. I am keen to engage with Opposition Members, the Chair of the Health Committee and other colleagues on the detailed issues they may wish to raise on behalf of constituents.

Mr Philip Dunne (Ludlow) (Con): I am grateful to my hon. Friend, and I would like to take advantage of his offer, but I would also like to highlight another issue. I do not wish to extend the competence of the Bill unduly, but it is an opportunity for us to look at the reciprocal health agreements we have with the overseas territories, as mentioned by my hon. Friend the Member for Chichester (Gillian Keegan), and particularly with United Kingdom dependent territories—I am thinking here of the Channel Islands. Under the previous Labour Government, the reciprocal health agreement with Jersey was ripped up and terminated in 2009. Under the coalition agreement in 2011, it was reinstated. However, at present, there is no reciprocal health agreement with Guernsey, which is also responsible for Alderney and Sark. I ask the Minister to consider that during the passage of the Bill.

Stephen Barclay: I am grateful to my hon. Friend for raising that. Understandably, much of the debate today has focused on the EU element of the Bill, but he is quite right to recognise that the reciprocal element extends beyond the EU and particularly to Crown dependencies, overseas territories and countries such as Australia, New Zealand and elsewhere. I am very happy to have those discussions with him.

My opposite number, the hon. Member for Ellesmere Port and Neston, raised a number of points, one of which was the impact on people with long-term conditions.

I agree that, without reciprocal healthcare, people with long-term conditions, including those who need dialysis, may find it harder to travel, which is the very essence of why the Bill is necessary, so that we can implement a reciprocal arrangement with the EU or, failing that, with individual member states to support the travel arrangements of those with long-term conditions.

The hon. Gentleman also questioned the £66 million figure that I referenced in my speech, and I am happy to point out that that was in relation to the 2016-17 value of claims made by the UK to EU member states. He also asked about cost recovery more generally and, since 2015, we have increased identified income for the NHS under reciprocal arrangements by 40%, and directly charged income has increased by 86% over the same period. I mentioned the increased focus on that to my hon. Friend the Member for Crawley (Henry Smith), which I hope gives a signal of intent as to the direction of travel on cost recovery.

The hon. Member for Ellesmere Port and Neston also mentioned the role of NHS Improvement, and I am happy to clarify that it is now working with more than 50 NHS trusts to improve their practices further, with a bespoke improvement team in place to provide on-the-ground support and challenge in identifying and sharing best practice.

The hon. Gentleman also mentioned an important point, and one that we will probably go into in more detail in Committee, on data. Again, the policy intent is continuity, rather than a change in our approach to data. Clause 4 expressly contains a safeguard for personal data, which can be processed only where necessary for limited purposes or funding arrangements. That covers, for example, where someone is injured while abroad, where personal data of a medical nature often needs to be shared to allow treatment to take place. At the same time, there are safeguards in the Bill, which I am sure we will explore.

My hon. Friend the Member for North Thanet expressed concern about cherry-picking, and I recognise his point. That is why we are looking for the reciprocal arrangements to continue, although even in the event of no deal and no bilateral deal, local arrangements often apply for healthcare, such as on the basis of long-term residency or previous employment. Those would be local factors, but obviously the policy intent is to have an arrangement with countries across the EU.

The hon. Member for Linlithgow and East Falkirk (Martyn Day) and my hon. Friend the Member for East Renfrewshire (Paul Masterton) spoke about the work of the devolved Assemblies and how we liaise with them. Indeed, I spoke with my Welsh counterpart just yesterday. In the other place, the Parliamentary Under-Secretary of State for Health has been working closely with the devolved Assemblies, as have colleagues and officials in our Department. How we work with the devolved Assemblies is a pertinent point, and we are keen to continue that active dialogue.

My hon. Friend the Member for Poole (Sir Robert Syms) correctly identified the importance of the EHIC card and of inward tourism to the UK. The point about continuity was reinforced by my hon. Friends the Members for Chichester (Gillian Keegan) and for Chelmsford (Vicky Ford) in their thoughtful contributions. It was also echoed by my hon. Friend the Member for Walsall

North (Eddie Hughes) when he highlighted the importance of taking a practical approach to how these arrangements apply.

My hon. Friend the Member for Totnes (Dr Wollaston) raised a number of detailed points, and I am happy to have continued dialogue with her on them, although I hope she will draw some comfort from recent quotes and legislative developments in a number of EU27 states. For example, the French Minister for European Affairs said, "France will do as much for British citizens in France as the British authorities do for our citizens." France has legislation under way. The Spanish Prime Minister said, "I appreciate, and thank very much, Prime Minister May's commitment to safeguarding those rights. We will do the same with the 300,000 Britons who are in Spain."

Again, I hope the fact that we actually pay out more to the EU than we currently receive, and the fact that both nations benefit from a reciprocal arrangement, gives an idea of the starting point of the discussions. Like my hon. Friend, I would welcome it if that were done across the EU27 as a whole.

My hon. Friend also raised the issue of dispute resolution, and the current arrangements between the UK and other member states require states to resolve differences, in the first instance, between themselves. That is the existing position that applies, but clearly it would be a matter for negotiation as to how a future UK-EU agreement might be governed. That is a cross-cutting issue; it is not one pertaining solely to this Bill.

It is clearly in the interests of the British public to ensure reciprocal healthcare, arrangements, similar to those currently in place, continue when we leave the EU, whether that happens through an agreement with the EU itself, as we very much want, or through individual arrangements with EU member states.

Mike Amesbury (Weaver Vale) (Lab): Just for clarification, is the jurisdiction of the European Court of Justice still a red line in the sand?

Stephen Barclay: The issue in terms of the ECJ will be dealt with in other areas of the withdrawal agreement discussions. In the event of a deal, and in the event of no deal, it will be governed by the bilateral arrangements.

I commend this Second Reading to the House, and I look forward to working with colleagues on both sides of the House in Committee.

Question put and agreed to.

Bill accordingly read a Second time.

HEALTHCARE (INTERNATIONAL ARRANGEMENTS) BILL (PROGRAMME)

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

That the following provisions shall apply to the Healthcare (International Arrangements) Bill:

Committee

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

Proceedings in Public Bill Committee

(2) Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 4 December.

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

Proceedings on Consideration and up to and including Third Reading

(4) Proceedings on Consideration and any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

(5) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

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

Other proceedings

(7) Any other proceedings on the Bill may be programmed.—(Mike Freer.)

Question agreed to.

HEALTHCARE (INTERNATIONAL ARRANGEMENTS) BILL (MONEY)

Queen's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),

That, for the purposes of any Act resulting from the Healthcare (International Arrangements) Bill, it is expedient to authorise the payment out of money provided by Parliament of any expenditure incurred under or by virtue of the Act by the Secretary of State.—(Mike Freer.)

Question agreed to.

Business without Debate

DELEGATED LEGISLATION

Madam Deputy Speaker (Dame Rosie Winterton): With the leave of the House, I will take motions 6 and 7 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

EXITING THE EUROPEAN UNION (FINANCIAL SERVICES)

That the draft Credit Transfers and Direct Debits in Euro (Amendment) (EU Exit) Regulations 2018, which were laid before this House on 9 October, be approved.

EXITING THE EUROPEAN UNION (FINANCIAL SERVICES AND MARKETS)

That the draft Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018, which were laid before this House on 9 October, be approved.—(Mike Freer.)

Question agreed to.

John Spellar (Warley) (Lab): On a point of order, Madam Deputy Speaker. Have you or Mr Speaker received any notification from the Government that they intend to make a statement here on the outcome of the talks with the European Union? Rumours are widely circulating that the Prime Minister intends to hold a press conference at 9 o'clock this evening but not to address the House. Have you had any indication that the Government will actually address the democratic heart of the country?

Madam Deputy Speaker (Dame Rosie Winterton): I have received no indication that the Prime Minister is coming to the House later today. I understand that there is expected to be a statement from the Prime Minister tomorrow. As Mr Speaker said earlier, he would have stood ready to allow a statement if one were requested.

Valerie Vaz (Walsall South) (Lab): Further to that point of order, Madam Deputy Speaker. Clearly, the business has finished early and there is plenty of time for the Prime Minister to come back to make a statement. Given that the press conference will be at 9 pm, the House could be suspended and then the statement could be made—this could even be up until 7 pm. Have you had any indication that the House could be suspended and we could have a statement from the Prime Minister on the matter of most importance to this country?

Madam Deputy Speaker: As I understand it, the House could be suspended if there is an indication that a statement was expected. However, as we said earlier, the Speaker made it clear that he would have allowed time for a statement but no request has been made, and, as I understand it, there will be a statement from the Prime Minister tomorrow.

Ms Angela Eagle (Wallasey) (Lab): On a point of order, Madam Deputy Speaker. The Prime Minister is obviously pretty caught up with the Cabinet at the moment; the rumours are that she has got on to only the third of the Cabinet Ministers, so this could go on for a little time. However, we do have all the time up to 7 pm, which would give her time to come to the House and get the constitutional proprieties right on the most important thing to happen in this House for the future of this country in a long time. She would then be able to come to this House, because we would not have adjourned; we would have suspended to give her that opportunity to do the right thing by this House, which is to come to the House before she does the press conference and make a statement. So would it be in order for us to have a vote to suspend the House, thereby giving her that opportunity to do the right thing by our constitution?

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): Further to that point of order, Madam Deputy Speaker. I entirely endorse the comments made by my hon. Friend, but may I also raise a concern with you? I just asked a question of the Under-Secretary of State for Wales, the hon. Member for Selby and Ainsty (Nigel Adams), and it still appears the Welsh Government and the Scottish Government have not been informed about the status of these negotiations and these papers. So it is not just this House and this Parliament that the Government are trying to circumvent, but the other democratically elected Parliaments of the United Kingdom. Do you not agree that this is an extraordinary situation, which gives us another reason why this House should be suspended? The Prime Minister should come here and explain herself.

Madam Deputy Speaker: Let me just address what I think the gist of these points of order is. First, there are no grounds for suspension unless a request has been received and a statement is being asked for later. However,

the Adjournment debate can run until 7 pm and it can be up to the Government—[*Interruption.*] Order. I am trying to be helpful. It is possible for the Government at any time up to that point to say that they wish to make a statement. I hope that is helpful in informing the House of the current position.

Ian Blackford (Ross, Skye and Lochaber) (SNP): On a point of order, Madam Deputy Speaker. I am grateful for the remarks you have just made. We need to convey to the Government our extreme unhappiness about what is going on. [*Interruption.*] I can hear comments about there always being unhappiness, but this is most serious. We have been made aware that the Government of Gibraltar have been briefed on what is in the withdrawal agreement. We hear from the UK Government about the respect that must be shown to the devolved institutions and about how they are partners together with the UK Government, but I can tell the House that, as I speak, the Administration in Edinburgh, the Scottish Government, have not been informed about what is in the arrangement between the UK and the EU. The Cabinet is due to reach agreement this afternoon and the Prime Minister is not taking the opportunity afforded to her to update the House, and this is being disrespectful in the extreme to this place and to the people of the United Kingdom.

Madam Deputy Speaker: That was not really a point of order; it was more a point of frustration. I have given the House the maximum information about the options that are open. Those on the Treasury Bench will have heard the anxiety of the House about the current situation, and I am sure that will be conveyed. It is not my job to convey it, but obviously those on the Treasury Bench have heard it. As I said, Mr Speaker made it clear earlier that he was very happy to take a statement at any time. The Adjournment can run until 7 pm. The Government can make a statement at any point up until then.

Sir Robert Syms (Poole) (Con): On a point of order, Madam Deputy Speaker. No Prime Minister has spent so many hours at the Dispatch Box answering questions from this House on this subject. We have a Cabinet meeting—[*Interruption.*]

Madam Deputy Speaker: Order. It is important that we listen with respect to other people's points of order.

Sir Robert Syms: The current Government are run by a Cabinet who actually discuss things, unlike that of previous Governments. I think we should wait; if the Government have done us the courtesy of allowing this House to know that they will come here with a statement tomorrow, we should respect that, and we will have a much better exchange in this House based on information, rather than supposition and rumour.

Sir Roger Gale (North Thanet) (Con): Further to that point of order, Madam Deputy Speaker. I am not sure whether you were in the Chamber earlier today when Mr Speaker made his statement very clearly indeed, and I do not know how many colleagues were, but it was made abundantly plain that if there were to be a statement today, then yes, Mr Speaker would take it, but more importantly that he had been notified that a statement would be made tomorrow and that he was prepared to sit for as long as it took to make sure that every Opposition or Government Member was heard. Surely, that is preferable to a half-baked statement in short order at 7 o'clock tonight.

Madam Deputy Speaker: I take the hon. Gentleman's point. I was merely saying what the options were, and the option does remain for a statement to be made if the Adjournment went on until 7 o'clock.

Tom Brake (Carshalton and Wallington) (LD): On a point of order, Madam Deputy Speaker. You helpfully clarified that the Adjournment could continue until 7 o'clock tonight, should the Government wish to come and make a statement. It may be that not everyone present has prepared a speech that is relevant to the Adjournment debate on police employer pension contributions that will take place, so would you allow some leniency, scope and flexibility in the contributions that Members might wish to make to that debate?

Madam Deputy Speaker: Members can speak, but they have to speak to the subject of the debate. Their remarks must obviously be related to police employer pension contributions.

Several hon. Members *rose*—

Madam Deputy Speaker: I really think that we need to move on. I shall take two more points of order, and that is it.

Anna Turley (Redcar) (Lab/Co-op): On a point of order, Madam Deputy Speaker. I really appreciate the clarity you have given about the issues going up to the Adjournment debate at 7 pm and then 7.30 pm, but perhaps you could help me to understand what would happen should the House vote down the Adjournment motion? What would be the procedural consequence? Would it allow the House to continue its discussions after that point?

Madam Deputy Speaker: If the Adjournment is voted down after 7 o'clock, it will still adjourn. The House adjourns at 7.30 pm.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): On a point of order, Madam Deputy Speaker. Given the statement that Mr Speaker rightly made that the Cabinet will meet, that the Prime Minister will then inform the First Ministers of Scotland and Wales, that that parliamentary precedent, which is generally agreed on across the House, moves forward and that a statement then comes to the House before any press conference, I wonder whether you could advise me, in your office as Deputy Speaker, whether that is fundamentally undermined by the fact that the Government of Gibraltar has been informed of the deliberations before the Cabinet has met and made a decision, contrary to the opinion given by the Speaker of the House of Commons of the United Kingdom of Great Britain and Northern Ireland?

Madam Deputy Speaker: What the Government choose to tell the Government of Gibraltar is not a matter for me. As I have said, the concerns of the House have been expressed through these points of order and they have been heard by those on the Treasury Bench. I say again that the Prime Minister will come to the House tomorrow to make a statement and there are still options open today.

Chris Bryant (Rhondda) (Lab) *rose*—

Madam Deputy Speaker: I shall take a final point of order.

Chris Bryant: On a point of order, Madam Deputy Speaker. I think the bit that upsets quite a lot of Members is not that the Cabinet may go on for many hours—that is fully understood; it is the Cabinet's job to govern—but that after that point it is important that the first next people to hear should surely be the Members of Parliament who will have to make a decision. It is the phase between the Cabinet and House, with the Government going to talk to the press, that is the problem for us. I fully understand that were the Cabinet to continue meeting till midnight tonight, it would probably be impossible for us to have a statement from the Prime Minister today, but as the Adjournment can go on until half-past 7 this evening, what is the last moment at which the Prime Minister could make herself available and at which we could be given notice that a statement could happen?

Madam Deputy Speaker: At 7 o'clock.

PETITIONS

The Boundary Commission and Heywood's Identity

3.39 pm

Liz McInnes (Heywood and Middleton) (Lab): I rise to present this petition, with 767 signatures, about retaining the proud name of Heywood in any redrawing of constituency boundaries.

The Boundary Commission review proposes to remove the name of Heywood from its new parliamentary constituency. This is an insult to a proud town, which has given us Julie Goodyear, my hon. Friend the Member for Hartlepool (Mike Hill), not to mention its most famous son, Peter Heywood, for if he had not snatched the lighted torch from the hands of Guy Fawkes in 1605, none of us would be standing in this place today.

The petition states:

The Petition of residents of Heywood and Middleton,

Declares that Heywood is a proud town with a proud history, which has had a clear identity as a parliamentary constituency since 1185; further that the Boundary Commission proposes to remove the name of Heywood from the new parliamentary constituency.

The petitioners therefore request that the House of Commons urge the Boundary Commission to restore the name of Heywood to the proposed title for the new constituency in which it will be located.

And the petitioners remain, etc.

[P002290]

Access to Flash Glucose Monitoring in England

3.41 pm

Keith Vaz (Leicester East) (Lab): May I begin by declaring my interest as a type 2 diabetes sufferer? Today is World Diabetes Day, and I am presenting a petition on behalf of 1,418 citizens of Leicester. I come not just to present the petition, but to thank the Government who announced today that they were allowing everyone in England and Wales with type 1 diabetes to be able to

have access to the FreeStyle Libre flash glucose monitoring machine, which is similar to the one that the Prime Minister wears.

While warmly welcoming that decision, I still present this petition because it also affects those with type 2 diabetes. We do not have access to this particular form of monitoring and it is very important that everyone with type 2 diabetes—4.5 million people in the United Kingdom—should also be able to have this unit, rather than having to prick their fingers and to have their test done by removing blood.

A total of 1,480 people have signed the petition in Leicester, and 1,689 have signed in the rest of the country. I am glad that the hon. Member for Crawley (Henry Smith) is here to present his petition on behalf of his constituents. What the petition says is that the postcode lottery that did operate and that will continue to operate until April 2019 prevents people in Leicester and in 25% of the country from having access to this monitor. I hope that the Government will allow this access immediately, rather than waiting until April 2019.

Following is the full text of the petition:

[The petition of residents of the United Kingdom,

Declares that the unfair postcode lottery created by Clinical Commissioning Groups (CCGs) for access to Flash Glucose Monitoring (FreeStyle Libre) is detrimental to the health and emotional wellbeing of people with diabetes and those that care for people with diabetes; further notes that technology has been proved to be cost effective for many who are on intensive insulin therapy; further that it has been made available on prescription by the NHS and there is evidence to support its positive impacts; further that half of the country have now given access, but the other half have not; further that there is no reason why CCGs across the country should not make this life changing technology available to people with diabetes who could benefit in England.

The petitioners therefore request that the House of Commons to urge the government to take immediate action with NHS England to make Flash Glucose Technology available on prescription for people with diabetes regardless of their address.

And the petitioners remain, etc.]

[P002292]

Henry Smith (Crawley) (Con): I am here today on behalf of Crawley residents with type 1 and type 2 diabetes and all those who signed my petition calling on the Crawley clinical commissioning group to provide flash glucose monitoring technology, such as FreeStyle Libre, on the NHS. Diabetes UK estimates that 6.9% of adults in Crawley have diabetes—a figure slightly higher than the English national average—but less than a fifth of clinical commissioning groups have opted to make flash glucose monitoring available.

As the right hon. Member for Leicester East (Keith Vaz) has said, I very much welcome the Government stating this morning—on World Diabetes Day—that for patients with type 1 diabetes, they are

“announcing action to end the current variation patients in some parts of the country are facing to access Freestyle Libre.”

People in Crawley who deal with diabetes every day and I urge Crawley CCG and NHS England to ensure provision of this technology for people living with type 2 diabetes as well.

The petition states:

The Petition of residents of Crawley,

Declares that the unfair postcode lottery created by Clinical Commissioning Groups (CCGs) for access to Flash Glucose Monitoring (FreeStyle Libre) is detrimental to the health and emotional wellbeing of people with diabetes and those that care for people with diabetes; further notes that technology has been proved to be cost effective for many who are on intensive insulin therapy; further that it has been made available on prescription by the NHS and there is evidence to support its positive impacts; further that half of the country have now given access, but the other half have not; further that there is no reason why CCGs across the country should not make this life changing technology available to people with diabetes who could benefit in England.

The petitioners therefore request that the House of Commons to urge the government to take immediate action with NHS England to make Flash Glucose Technology available on prescription for people with diabetes regardless of their address.

And the petitioners remain, etc.

[P002293]

Kirsty Blackman (Aberdeen North) (SNP): On a point of order, Mr Deputy Speaker. The point has been made that there are huge concerns about the Prime Minister going to the press in advance of coming to this House, as is right and proper; Prime Ministers should come to this House to make any announcements after Cabinet. In 1971, when the UK debated joining the European Economic Community, the House was allowed to run for an additional nine hours through the course of the evening after the moment of interruption at 10 pm, in order for the proper debate to take place. It was important then for the House to be allowed to have that additional time, because it was really important for the people to see that the debate was taking place.

Mr Deputy Speaker, I understand that it is your role and the role of Mr Speaker to protect the reputation of this House, and to ensure that the people out there are not laughing at us and are not concerned that the procedures of this House are stifling debate. Will you please let me know that you have considered this today?

Mr Deputy Speaker (Sir Lindsay Hoyle): There is a lot of sympathy in the House for the hon. Lady's point. I am sure that the Prime Minister would want to come to the House when there is something to say. The hon. Lady mentioned the year that the House was debating Britain going into Europe, but on that occasion it was already tabled that the House would sit later; nothing has been tabled today. Like everyone else, I am bound by the rules of the House and it is Members who vote on the rules of the House. All I can do is work with the rules as they are. I cannot create new rules, no matter how important the situation. The hon. Lady's point has been taken on board and I am sure that people have listened. It is something to bear in mind for the future.

Valerie Vaz (Walsall South) (Lab): Further to that point of order, Mr Deputy Speaker. Given that you are guided by the rules, are there any procedures whereby the House could be suspended while we wait for the Prime Minister to come back and make a statement, given that a press conference has already been set for 9 o'clock? We are not a vassal state, but a sovereign Parliament, and we would like the Prime Minister to come here as soon as she has concluded her discussions with the Cabinet.

Mr Deputy Speaker: Unfortunately, the straightforward answer is no. I do not want to take more points of order on the same issue.

Mr Peter Bone (Wellingborough) (Con) *rose*—

Mr Deputy Speaker: If other points of order are on the same matter, we have already made a ruling. The decision has been taken, so I hope that this is about something different.

Mr Bone: I am sure it will be, Mr Deputy Speaker. *[Interruption.]* Yes, it will have to be now. I just wanted to be clear—it is just a point of information, Sir. *[Interruption.]* Oh, all right, let's do a point of order—that would be better, wouldn't it? On a point of order, Mr Deputy Speaker. Is it correct that the Government must not make a major policy announcement to the media first but have to make it to the House first?

Mr Deputy Speaker: That is absolutely right. I would expect the convention that this House comes first. That is what I would always say. I will never shy away from that, and neither would anybody else who occupies this Chair. This House should always know first.

John Woodcock (Barrow and Furness) (Ind): On a point of order, Mr Deputy Speaker. Notwithstanding this very important issue—I wholeheartedly support my colleagues in pushing for the Prime Minister to come to the House—I am obviously concerned, as you will appreciate, being a north-west MP yourself, that if the House were to rise early, Members might inadvertently miss the opportunity to come to the reception in Strangers Dining Room to mark the 50th anniversary of the continuous at-sea deterrent. I wonder if there is a way by which, perhaps through your good offices, I might be able to inform Members here in the House, and some who might be watching on the TV screens, that they can come down to Strangers Dining Room—

Mr Deputy Speaker: Mr Woodcock, thank you for the point of information. It is certainly not a point of order.

Ian Murray (Edinburgh South) (Lab): On a point of order, Mr Deputy Speaker. I wonder if you could use your good offices to inform Members of this House how we could perhaps obtain tickets to the press conference at 9 o'clock this evening so that Members of this House can use their democratic right to question the Prime Minister on this deal?

Mr Deputy Speaker: We all know the rules of the House, and I have explained what will happen and what the procedures are. Come on, now.

Peter Grant (Glenrothes) (SNP): On a point of order, Mr Deputy Speaker. I think that most people would be astonished that two apparently important debates that were timetabled for six hours collapsed after about two and a half hours. There have been reports, which some may think credible, that the Government Whips have sought to engineer that situation deliberately.

Mr Deputy Speaker: I am running out of patience with the points of order now. Can I just say that that was up to Members of this House on all sides? Please do not put the complaint to me. Members should have spoken if they wanted to keep the debate going. I am sorry, but I think we ought to realise that it was up to Members to keep the business going until 7 o'clock, the moment of interruption. Right, let us move on.

Police Employer Pension Contributions

Motion made, and Question proposed, That this House do now adjourn.—(Mike Freer.)

3.52 pm

Mr Pat McFadden (Wolverhampton South East) (Lab): It is good to see such widespread interest in the House in the matter of policing and pensions, and the impact on police numbers. I want to begin by saying that I share the House's frustration that we have almost four hours in which we could deal in plenty of time with the substantive matter of the agreement that has been struck over the past 24 hours.

However, turning to the subject before us, this debate is about the impact of changes to employer pension contribution rates on our policing service. These changes, of course, have broader implications for other public services, but this afternoon I want to concentrate on policing. My contention is quite simple: against a backdrop of steep cuts in police numbers and rising violent crime levels, it would be intolerable if the pension changes announced by the Government resulted in another round of cuts to police numbers around the country.

Keith Vaz (Leicester East) (Lab): Does my right hon. Friend agree that this debate actually has much wider implications with regard to the issue of recruitment to the police force? If police officers see that their pensions are going to be affected by what the Government are proposing, fewer people will apply to join the police force because they see no future in public service where they are not rewarded with a decent pension, and that will affect the constabularies in every single area of England and Wales.

Mr McFadden: My right hon. Friend makes a strong point. Of course, he has many years of experience in this, as the former Chair of the Home Affairs Committee.

Kate Green (Stretford and Urmston) (Lab): My right hon. Friend will be aware that Greater Manchester police and the deputy mayor for policing, my noble Friend Baroness Beverley Hughes, have raised real concerns about the additional costs of police pensions and the insufficiency of the precept to meet them. Further to the point made by my right hon. Friend the Member for Leicester East (Keith Vaz), Baroness Hughes has particularly pointed out that the impact on recruitment will also affect the plans that Greater Manchester police had to increase diversity in the force. Does my right hon. Friend agree that Ministers ought to be mindful of that concern?

Mr McFadden: I absolutely agree; this has a number of implications.

My central point is that the public should not be asked to accept that a consequence of this is a further round of cuts to police numbers; the cuts to police numbers in recent years have already gone far too far. We cannot responsibly allow the public's freedom to go about their daily business to continue to be eroded as is happening at the moment.

Jack Dromey (Birmingham, Erdington) (Lab): The police risk life and limb to protect the public. They deserve nothing but the best, including a secure income in retirement. With crime rising rapidly and 2,000 police

officers cut in the west midlands, does my right hon. Friend agree that it simply cannot be right that the police service has to fund police pensions, because the consequences of that will be further police officers being lost on the one hand and crime continuing to rise on the other?

Mr McFadden: My hon. Friend is absolutely right. He shares my contention that the public and police should not be asked to bear the brunt of this.

For many years, the Government have claimed that there is no link between the number of police on the streets and the levels of crime, but this week we had an important change in direction when the Home Secretary said that he now accepted the link between crime levels and police numbers. After years of the Government denying it, the Home Secretary this week finally acknowledged the importance of police numbers in fighting crime when he said:

"I think actually police numbers have to be an important part of the solution. Let's not pretend that it's not."

I am grateful for that admission. It is long overdue. Let us be honest—if it was a Labour Government that had cut police numbers by more than 20,000 against a backdrop of rising violent crime, the Conservatives would not be saying that police numbers are not part of the issue; they would be screaming about it from the rooftops.

Mr Jim Cunningham (Coventry South) (Lab): The police budget has been cut, so how can the Government say that they are giving the police the resources to increase numbers and make the job attractive? I visited a police station a couple of weeks ago, and police there were being asked to act as medics and assess prisoners who had mental difficulties. That is the sort of job they are being asked to do now, and it must have a demoralising effect on the police.

Mr McFadden: My hon. Friend is right that as time changes, the pressures on the police change, and the things they are asked to do are changing.

The Home Secretary's admission this week is hugely important. Now that he has admitted that we need more police officers, it is up to the Home Office to secure the cash from the Treasury needed to deliver that pledge.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I wholeheartedly agree with what my right hon. Friend is saying. I have spent time over recent weeks behind the scenes with South Wales police, as part of the police service parliamentary scheme, and I have seen directly the pressures they are facing and heard the concerns about their pensions, pay and conditions. To be fair to the Minister, I know that he has been listening carefully to concerns about funding for Cardiff in particular.

Does my right hon. Friend share my dismay that the permanent secretary at the Home Office yesterday confirmed that the Home Office had nearly half a billion extra over the last two years to deal with no-deal preparations for Brexit, and that he was putting in a bid for hundreds of millions of pounds of new funding just to deal with Brexit, not to pay for our police?

Mr McFadden: My hon. Friend makes a good point. It confirms my view, after two years on the Brexit Select Committee, that new implications of this decision unfold every week that we did not know about—in full, at least—at the time of the referendum.

Jim Shannon (Strangford) (DUP): I congratulate the right hon. Gentleman on securing this Adjournment debate. This week, a chief constable said that police

“may no longer be able to provide anything but the most basic services to the most vulnerable sectors of our community”.

Does he agree that that must be a wake-up call for the Government to ensure that resources and funding are available?

Mr McFadden: The hon. Gentleman makes a very good point. Several chief constables have issued similar warnings about their capacity to give the public the service that they expect. This also has major implications for police morale because officers want to do a good job and to serve the public to the best of their ability.

Phil Wilson (Sedgefield) (Lab): In Durham, since 2010, we have seen a reduction of 400 in the number of police officers. With these cuts, Durham is going to lose a further 30 police officers. It is officially an outstanding force, but crime is going up. It is fair to say that the general public are going to say, “Has austerity actually ended?” They will not be thinking about pensions and so on. They will be thinking about the lack of bobbies on the beat. It would be fair for them to assess that austerity has not ended.

Mr McFadden: My hon. Friend makes a very good point. There is simply no point in the Prime Minister promising to her conference, and to the public through her conference, that austerity has ended and then bringing in a set of changes that ends up with us seeing fewer police on the streets.

John Spellar (Warley) (Lab): Was not this crisis not only predictable, but predicted? Under the right hon. Member for Maidenhead (Mrs May), not only in her role as Prime Minister, but in her previous role as Home Secretary, police forces—I regret to say that the then chief constable of West Midlands police was enthusiastic—cut the number of experienced police officers savagely and lost a huge strength in that regard. At the time, we said, “How are you saving money? This money will fall on the pensions scheme.” We were told, “That is not West Midlands’ problem”, but that has come back to haunt them. At the time, the Home Secretary and the Home Office were the ones encouraging chief constables to do that. Now people on the streets of the west midlands are paying the price.

Mr McFadden: The price is being paid on the streets of the west midlands, the streets of Greater Manchester, the streets of Durham, the streets of Cardiff and the streets represented by everyone who has made interventions.

Rachael Maskell (York Central) (Lab/Co-op): Does my right hon. Friend recognise that, where the fire and rescue authority has amalgamated with the police, such as in North Yorkshire, the risk has been spread even further, to our fire service?

Mr McFadden: My hon. Friend makes a very good point. As I said in my opening sentences, the issue affects many public services. I have focused particularly on the police in this debate, but Members could be having a similar debate about a number of other public services.

Hugh Gaffney (Coatbridge, Chryston and Bellshill) (Lab): In Scotland, things are the same. The issue exists across the country. Far too much emphasis has been put on Brexit, but this is bread and butter stuff; this is the police who are looking after our streets. So many children and young people in London—supposedly the heart of the UK—are getting murdered on the streets because of the lack of police numbers. Those young people should be growing up and getting a pension, not fighting. Start getting the police on the street again.

Mr McFadden: My hon. Friend makes a very good point about the level of crime and I will come on to that issue.

There is no point in the Home Secretary publicly saying that we need more officers and then loading an increased pension burden on to police forces that could result in precisely the opposite outcome from the one he wants to see. Just last week, the Public Accounts Committee published a report that sets out starkly what has happened to policing in recent years. Total police staffing numbers in England and Wales have dropped from a peak of 244,000 in March 2010 to 200,000 in March this year. Within that overall number, police officer numbers—this is probably the figure our constituents are most concerned by—have dropped from 143,734 in 2010 to 122,404 this year. That is a loss of more than 21,000 officers from our streets and communities. Police community support officers are down by around 40%. Other police staff are down by 21%, from around 80,000 to 68,000. Whether it is in civilian staff, PCSOs or the uniformed officers on our streets, we have seen hugely steep cuts over the past eight years.

Mike Hill (Hartlepool) (Lab): Those figures include the 500 police officers lost to the Cleveland police authority since 2010. Despite adaptations, such as the privatisation of back-room services and the sharing of services with Durham constabulary colleagues, the police are still feeling the squeeze. The people of Hartlepool have told me that they prioritise bobbies on the beat. We are not going to get them any time soon if these cuts continue.

Mr McFadden: My hon. Friend makes a very good point.

The reason for these cuts in numbers, which I have read out to the House, is a steep cut in Government funding to the police. In this financial year, police forces around the country will receive 30% less, in real terms, in Government grant than they received in 2010-11. In total, taking into account the local precept, police forces’ funding has been cut by 19%.

Those cuts do not fall in a uniform manner, because some forces are more reliant than others on Government grant, and some get more help from the precept. For a force such as my own in the west midlands, where Government grant income comprises a very large part of the police budget, the impact of the cuts is even

[Mr McFadden]

sharper than would otherwise be the case. That has resulted in the West Midlands police force losing more than 2,000 officers since 2010.

Alex Sobel (Leeds North West) (Lab/Co-op): Police officers in West Yorkshire police have said to me that, given the cumulative effect of the pay squeeze, funding cuts and resource constraints, the pensions issue is the straw that broke the camel's back and they are considering voluntarily leaving the police force for what they consider to be better employment. Does my right hon. Friend agree that this might be the straw that broke the camel's back?

Mr McFadden: I think it is tragic if the state spends money training good police officers who end up, for the reasons that my hon. Friend has set out, leaving the force and embarking on another career.

Ian Murray (Edinburgh South) (Lab): I am grateful to my right hon. Friend for this engaging Adjournment debate. He will be interested to hear that in Scotland we have the lowest number of police officers in a decade, and a £200 million shortfall in the next few years, with the Justice Minister saying that police numbers are no longer a priority. This is happening in Scotland as well as across England.

Mr McFadden: I do not know what the Minister in Scotland has said, but I welcome the admission from the Home Secretary this week that police numbers matter, that they are important and that they are part of the solution. I contend that, having said that, the Home Office now needs to deliver.

Martin Whitfield (East Lothian) (Lab) *rose—*

Stewart Malcolm McDonald (Glasgow South) (SNP) *rose—*

Mr McFadden: I would like to make some progress.

The first part of the picture that I am setting out is clear. We have far fewer police officers than we did—2,000 fewer in my force, and more than 20,000 fewer across the country. That has, inevitably, resulted in the police being able to do less. Last month, Dave Thompson, the chief constable of my force in the west midlands, said:

“Core aspects of policing—such as answering calls, attending emergencies, investigating crime, bringing offenders to justice and neighbourhood policing—are being pushed beyond sustainability”. Beyond sustainability—that is the verdict of one of the country's most senior and respected police officers. That is the impact of the funding and police officer numbers that I have set out.

Which parts of policing bear the biggest brunt? Often, it is neighbourhood policing that does so. By 2010, after years of investment, a comprehensive network of neighbourhood policing teams had been painstakingly built up. The investment had gone in and officers had been recruited, and the result was dedicated, visible police teams—often one per local authority ward—providing reassurance on the ground and gathering priceless local intelligence. They were an instrument not only of public safety, but equality. Let us not forget that crime is not uniform in its effect. Neighbourhood teams

were a visible reminder to those most at risk of crime that the state was there for them, on their side trying to protect them. Conversely, when cuts come, these teams are the ones that take the hit. The impact is not only on public safety, but inequality.

Martin Whitfield: I am grateful to my right hon. Friend for giving way. He will be aware that the Civil Nuclear Constabulary backfills for armed police officers all over the United Kingdom. The CNC is awaiting an equality impact assessment to have its pension age reinstated. The offer it has made will cost the Treasury no money whatever and all it is waiting for is that equality impact assessment. So the pressure is across the whole of our police. From our uniformed and plain clothes officers to those officers who backfill at the most essential level, they are being let down by the Government.

Mr McFadden: My hon. Friend makes a very good point about the ripple effect of the loss of numbers throughout other related services.

In evidence to the Public Accounts Committee, the police and crime commissioner for Devon and Cornwall described the effect on public confidence of the cuts I have set out:

“at the moment in my community I know that our communities do not feel safe. We have got public confidence reducing”.

The chief constable of Durham police set out starkly to the same Committee the contrast between the public's desire for visible neighbourhood policing and the reality of not being able to deliver it. He told the Public Accounts Committee:

“The problem with listening to people is that they want neighbourhood policing, which we can't give them because we can't afford it.”

That is not a situation that falls from the sky. It was not the situation pertaining in 2010. When we left office, we had put in place a comprehensive network of community neighbourhood policing teams which provided the visible presence we know our constituents want to see.

I repeat that this is an issue of equality, too. When the police retreat to become more of a rapid response service and less of a neighbourhood service, it is working-class communities and people on low incomes who are at the sharpest end.

Mike Amesbury (Weaver Vale) (Lab): The police and crime commissioner for Cheshire recently wrote to me and the other MPs in the area stating that cuts of £60 million have already been imposed, with a further £12 million of cuts proposed going forward. That is 250 officers taken from the frontline.

Mr McFadden: My hon. Friend is absolutely right. The point I am making is that the effect of this is not uniform in all parts of the country. My contention is that ensuring adequate police numbers is a progressive cause. It confers freedom on those who cannot afford to move house to get away from the problem. It provides help where it is needed most. Conversely, when it is not there, it is those who need help most who lose out.

For a time the Government claimed that there was nothing to worry about, because cuts in police numbers were not resulting in higher crime. Well, no longer. In the west midlands over the past year, violence against

the person was up 21%, sexual offences up 23%, robbery up 22%, possession of weapon offences up 17% and knife crime up 18%. Nationally, homicides were up 14%, robbery up 22% and knife crime up 12%. The toll of knife crime, in particular, has horrified the country. Night after night, we hear of young lives brutally and senselessly cut short. Just last week, in the midst of a horrendous series of stabbings in our capital city of London, the *Evening Standard* pictured two of the victims on its front page. They were aged just 15 and 17. These were the faces of boys, not men; children killed in the most awful way. This has happened far too often on our streets. I am sure that all of us—on whichever side of the House—would agree that combating the upsurge in knife crime is a national cause of the utmost urgency.

The Minister may say that policing is not the sole answer, and I accept that. Clearly, there needs to be a further expansion of schemes, such as the early youth intervention scheme, that seek to tackle the root causes. Money for that scheme was distributed earlier this week, including some to my force in the west midlands, and I welcome that. However, if policing is not the sole answer, it is certainly an essential part of it, and we are going to need adequate numbers of police officers to get on top of this national emergency.

Gareth Thomas (Harrow West) (Lab/Co-op): My right hon. Friend is making an extremely effective speech. He referenced, in particular, the upsurge in knife crime in London. Is he aware that Sadiq Khan, the Mayor of London, has written to the Prime Minister setting out that the extra pension costs, which my right hon. Friend has rightly sought to draw to the House's attention, represent £130 million extra a year, which is equivalent potentially to the loss of 2,000 police officers?

Mr McFadden: Those are shocking numbers, both financially and in the potential impact on police numbers. As I said, it is simply intolerable to expect the public to cope with the consequences if they unfold in that way.

It is in those twin contexts—falling police numbers and rising violent crime, including a particular emergency relating to knife crime—that we must consider police resources. The origin of the changes to the pension scheme, which could affect these numbers further, are two changes in what is called the discount rate for calculating pension liabilities. The effect of the changes in the discount rate has been to increase the liabilities for employers—in other words, to increase their costs. My hon. Friend the Member for Harrow West (Gareth Thomas) just quoted the potential impact on London. According to the Association of Police and Crime Commissioners, the changes to pension costs across the country could mean that they have to find another £165 million next year, rising to £417 million the year after. By way of comparison, that is the same amount as the total budget for West Yorkshire police, which is the fourth biggest police force in England.

Wayne David (Caerphilly) (Lab): My right hon. Friend has painted a graphic picture of the increased pressure on employer pension contributions for the country as a whole. When we boil it down to different police forces, the impact is truly clear. Let me give a small example—I say small, because Gwent, my area, is a relatively small

police force. The ongoing pressure amounts to an annual increase of £5 million a year. That could mean a reduction of 100 police officers. In an area such as Gwent, that is very significant.

Mr McFadden: My hon. Friend has graphically set out the potential impact on a smaller police force such as Gwent. For my force in the west midlands, the commissioner and chief constable estimate that the extra costs from these pension changes could be around £22 million over the next two years. If these costs came from their budgets alone, the impact would be around 450 officers lost. That would be on top of the 2,000 that we have already lost. As I said to the Minister at the beginning of the debate, expecting the public to accept reductions of this magnitude in force levels after the cuts that have taken place over the past eight years would be intolerable.

Rachael Maskell: Julia Mulligan, the Conservative police and crime commissioner in North Yorkshire, wrote to me yesterday to highlight how for her police force, the £1.6 million to be cut in 2019-20 and the £4 million in 2020-21, on top of the £10 million savings that also have to be made, will mean that 30 officers will be lost immediately and then another 80 the following year. How can that be sustainable?

Mr McFadden: It is not sustainable, which is why leading chief constables have said that forces are already stretched beyond sustainability.

I turn now to how the changes might be paid for. The Budget allocated no extra money for local policing, but it did allocate extra funds for national counter-terrorism work, which I welcome. Of course, it is an essential part of protecting the public—we are all aware of the grave terrorist threat facing the country, so we all support extra funds for this essential counter-terrorism work—but it is not a substitute for the local neighbourhood policing that all our communities need on an all-year-round basis.

In evidence to the Treasury Select Committee on Monday 5 November, shortly after the Budget, the Chancellor implied that the Treasury would meet the extra costs of the pension changes. He said:

“In 2018 the Government decided that it was necessary to reduce the scope discount rate still further but on that decision we decided that the Treasury would absorb the additional cost. We have added a sum to the reserve and Departments will be reimbursed for the additional costs of the 2018 scope change.”

When asked if that would be for every year ongoing, the Treasury official accompanying the Chancellor at that evidence session said:

“It is actually for every year”.

On the face of it, that sounds as though the Government are ready to compensate Departments for the extra costs incurred. I hope the Minister will address this when he sums up, because if that is the case, it will be warmly welcomed by chief constables, the public and Members on both sides of the House.

The picture is not really that clear though, because in response to an urgent question on Tuesday 6 November, the Minister for Policing did not say that the money would come from the reserve and go through Departments. In response to a question from me, he said that

[Mr McFadden]

“it is my intention to work through the issue and come to the House in early December with a funding settlement that works.”—*[Official Report, 6 November 2018; Vol. 648, c. 1387.]*

He also said that the outcome of the question of where these extra costs would fall would be decided in the comprehensive spending review. These two statements appear to be in contradiction: either the Treasury will fund it, or the issue is not settled and will be settled, or not, in the CSR.

To add to the confusion, a written answer from the Chief Secretary to the Treasury on 9 November read:

“Budget 2018 confirmed additional funding for expected costs in excess of the level envisaged at Budget 2016. Government will review police spending power and further options for reform at the provisional police funding settlement in December.”

I hope the Minister can clear this up. Has the Budget set aside further funds for the police to cover these costs, so that the fears of chief constables about their impact need not come to pass, or as he has implied, is the matter undecided and to be settled in the CSR? It cannot be both: either it has been settled, or it has not. What is the correct understanding that the House should have of the financial position?

I want to deal with one more issue that often comes up in these debates: the issue of reserves. During last week’s urgent question, there were several references to these reserves, the implication being that there was a large unused pot of cash sitting there, ready-made to deal with such situations. My own force in the west midlands has publicly set out the position on reserves. It does have reserves, but they are there to deal with issues such as capital costs, the self-insurance of vehicles, protective equipment, major incidents and so on, and the West Midlands force is already committed to running down these reserves at around £20 million per year. The capital and budget reserves will be gone completely by the end of the next financial year, and on current plans, 70% of the total current reserves will be gone by 2020, so this money is already committed and not available to meet the pension costs. In a couple of years, all that will remain will be reserves for essentials such as civil unrest, terrorist attacks and the self-insurance of vehicles.

Mr Jim Cunningham: My right hon. Friend is being very generous in giving way. Whether we are talking about local government or any other form of government, reserves can only be spent once. Anyone in local government will confirm that. If there are any surpluses, they are needed for emergencies. We take up these issues with the Minister, but when I asked him a question the other day, the only answer I got was “Well, you voted against it.” That is no answer. I can tell the Minister that we voted against it because there was not enough in the first place.

Mr McFadden: My hon. Friend has made an important point about reserves. One thing is clear in any budgeting exercise: the same money cannot be spent twice.

Anneliese Dodds (Oxford East) (Lab/Co-op): My right hon. Friend is making a very persuasive case. The police and crime commissioner for my region, Thames Valley, is a member of the governing party rather than my party, but he wrote to me saying:

“During the debate the Minister may say that Police service can afford to meet this additional pension cost from our reserves, but this is simply not true and should be refuted. We already have plans to use these, and cannot afford a further withdrawal to fund these police officer pension costs.”

Is that not exactly my right hon. Friend’s point?

Mr McFadden: It is exactly the same point. The Government cannot expect reserves which—as was pointed out by my hon. Friend the Member for Coventry South (Mr Cunningham)—are there to cover one-off costs, and which, in most cases, are already committed, to be used also to fund ongoing pension liabilities that will grow year on year.

Policing faces a desperately difficult situation. Violent crime is rising, and a national crisis of knife crime is unfolding. That has to be a top priority for the Government. We have police forces saying that they cannot do what would have been routinely expected of them a few years ago, and we have some forces saying that they cannot respond in person to certain types of crime. All the while, as funds from central Government funds are cut, the public are being asked to pay more and more for all this through rising precept levels. In other words, the public are paying more and getting less from their police service. That cannot be right, given that it is the Government’s duty to protect the public. It is bad for police morale, because the police want to do a good job, and it is not a good deal for the public.

No wonder confidence in the police’s ability is being hit. I believe that we need a change of direction, a halt to the cuts in police numbers, and an acceptance that it is a right of citizenship, wherever people live, to be protected by an adequate level of policing. My contention throughout the debate has been that this is not just a matter of public protection, but a matter of equality as well.

The pension changes that have been announced, should they all be loaded on to existing force budgets, will exacerbate the problems that we now face, and will make adequate levels of policing even harder to achieve. We cannot allow further cuts in police numbers to happen. The Minister and his Department must work with the Treasury to make sure that the changes are fully funded, so that the police can get on with the job we want them to do, which is protecting the public and ensuring that our constituents can live their lives and go about their business free from the fear of crime.

4.28 pm

Wes Streeting (Ilford North) (Lab): Let me begin by congratulating my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) on securing this important Adjournment debate. Let me also express my view, which I think is widely held—certainly among Labour Members—on how outrageous it is that while the Cabinet is making a decision that has the potential to affect this country for generations to come, it is the reported intention of the Prime Minister to make a statement to the press immediately after—

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. This is a debate about pension contributions. I have allowed the scope to be widened, but we cannot take it this far. Are we going to stick to the debate? Brilliant.

Wes Streeting: Forgive me, Mr Deputy Speaker; I just wanted to make the point at the outset that my constituents will be appalled that this House is adjourning about three hours early.

Mr Deputy Speaker: Order. I am being very good, and I am going to keep this debate going, but these are the rules of the House. They are not my rules; they are rules that we have all agreed to, and the fact is that those are the rules. We have to work within the rules, and as much as everybody is disappointed, the rules are there; they are made by Members, so please do not complain about the rules that have been introduced.

Wes Streeting: I accept that, Mr Deputy Speaker, and I am certainly not criticising the Chair for enforcing the rules.

Mr Deputy Speaker: I want you to criticise yourself; that is the problem.

Wes Streeting: I would never knowingly criticise myself, Mr Deputy Speaker, and you will be pleased to know that my constituents care about and raise with me far more than Brexit the issue of policing and in particular the consequences of Government changes to employer national insurance contributions and what that will mean for the funding of policing in my constituency and every other community up and down the country, because, as was stated in the excellent opening speech made by my right hon. Friend the Member for Wolverhampton South East, the consequence of increasing employer contributions will be a cost on police forces of an entirely unexpected and unplanned £165 million for 2019-20, and, as has been stated, that employer pension contribution liability will rise over time, so by the time that we get to 2020-21 the liability will be more like £420 million.

Money, as we know, does not grow on trees, and those responsible for managing police budgets and resources and making sure the budget is properly deployed to keep our constituents and country safe will be faced with an invidious choice. Of course they will want to make the right contributions to people's pensions, but, as the National Police Chiefs Council has warned, the reality is that this could amount to the loss of a further 10,000 police officers right across the country, with every police force in this land being affected.

Andrew Percy (Brigg and Goole) (Con): I apologise for missing the opening of this debate as I had a clash of business. In Humberside, we have seen police numbers rising in the past couple of years, but these changes would reverse that, and our chief constable has issued a very stark warning. Does the hon. Gentleman agree that it is completely unacceptable for these changes to be loaded on to police authorities? I make it very clear in this Chamber to the Minister that if this continues, I will vote against the police grant when it comes before the House next year, as I did between 2010 and 2015.

Wes Streeting: I am grateful for that intervention. I have known the hon. Gentleman for many years, including before I was elected to this place, in my previous role as president of the National Union of Students, and I know that when he says he is prepared to vote against his own Government he genuinely means it, not out of disloyalty to his party, but out of loyalty to the interests of his constituents and our country.

I could make the point that the Government Benches are almost entirely empty, but we know that that would be unfair because Adjournment debates are very rarely well attended and this one is better attended than most. But the truth is that Government Whips know that, even in parliamentary prime time, in debates about police budgets and employer pension contributions in particular, they have to struggle and strong-arm to get loyal Back Benchers in to defend the indefensible. Conservative Members know this is an indefensible position and that the consequence of these changes to employer pension contributions will be to cost police numbers in their constituencies, and which constituency MP in their right mind would, no matter what the size of their majority and however secure they might feel about their own electoral prospects, want to come here to defend police cuts that will affect public safety in their own constituencies? No one wants to do that; it is not why we come into politics.

We must see the budgetary pressures presented by changes to employer pension contributions in the context of what has happened to policing budgets more generally. The hon. Gentleman mentioned police numbers in Humberside, and we do not have a happy situation in my city either—our capital city. The Metropolitan police have had to grapple with budget cuts amounting to more than £1 billion. Ministers stand at the Dispatch Box and in Westminster Hall debates and try to justify their budget decisions. They try to pass the buck by blaming the Mayor of London for the police cuts, but the truth is that when central Government are cutting funding to local policing on the scale that they have done, there is only so much that Mayors and police and crime commissioners can do to offset the impact of those cuts.

The Home Secretary has finally acknowledged that cuts have consequences, and we are seeing those consequences in the rising violent crime in my constituency, across our city and across the country. The Government consistently attack the Mayor of London and try to make this a party political issue, but the facts speak for themselves. It is not just in Labour-led cities that violent crime is rising; it is rising in the leafy Tory-led shires. Violent crime has doubled in counties such as Hampshire, Cambridgeshire and Norfolk in the past three years. People do not have to be experts to understand the obvious: if there are fewer police on the streets to catch criminals and deter criminal activity, crime will rise. This applies not only to violent crime but to motor vehicle crime, for example, and it is leading to people feeling less safe and secure in their communities. It is changing people's way of life. They do not want to go out of their homes or run errands of an evening because they are afraid of being mugged or attacked. That is the reality.

Every time I speak on policing in this House and publish the video on my Facebook page or on Twitter, it goes viral because people are really concerned about this. They cannot understand it. As one now former Conservative councillor in my borough told me, they cannot understand why any Government would cut policing to this extent. Before the local elections this year, even a Conservative councillor told me that Conservative voters were saying, "We know there are difficult choices to be made; we expect the Government to be tightening their belt, but we do not expect a Conservative Government to cut policing in the way they have."

Gareth Thomas: My hon. Friend is making a very good speech, and he has talked about the attitude of his constituents in north-east London. Those concerns are shared in north-west London. I have lived in my constituency all my life, and I cannot remember a time before now when there was gun crime on the streets of Harrow. In the past 12 months, we have found ourselves in the unprecedented situation of having two significant incidents of gun crime. That is unparalleled.

Wes Streeting: I am really grateful to my hon. Friend for that intervention. I say without any prejudice towards inner London that, in reality, inner London has always had to grapple with violent crime. For MPs in boroughs such as Lambeth and Lewisham, gun crime, knife crime and gang crime have always been part and parcel of their work as constituency MPs. We know that there are problems concentrated in inner cities. That is an unfortunate fact of life, and it is one that we are working really hard to try to tackle. Frankly, no one should have to tolerate violent crime, wherever they live. My hon. Friend has just mentioned suburban London. My constituency borders the county of Essex, and I did not expect to see these levels of knife crime and violent crime there when I was elected to this place three years ago.

At Prime Minister's questions today, I referred to an awful incident, which I would actually not associate with the police cuts, but I would draw to the Minister's attention the stabbings and the gang crime in my constituency, as well as the county lines activity. Young people are being actively groomed at school gates. They are being identified because of their vulnerability and because they are the kids that are falling behind at school, and they are being groomed to run drugs across the country. We need police on our streets to deal with this. It is not just about grabbing people and nicking them; it is about the intelligence that community policing provides. It is about intelligence gathering and relationship building. It is about building trust so that people will come forward and speak to the police. All that is put at risk by the impact of the cuts to police budgets and police numbers. Given that that is the overall context, it is totally unacceptable to throw on top of that these changes to employer pension contributions, which are adding to the budgetary pressures.

To his credit, the Mayor of London has tried, with the resources he has available, to stem the tide of police cuts. Sadiq Khan has put in £140 million to fund 1,000 police officers, who would otherwise not be there. That has come at the cost of diverting into the policing budget money that the Greater London Authority gathers through business rates. It has also come at a cost to my constituents and to residents right across our capital city, who are paying more through their precept for policing.

It is so difficult to have a conversation about this with voters on the doorstep—this applies to council tax generally, by the way. I knock on people's doors, and they say really clearly, "Hang on a minute. How is it that my local services are getting worse and there are fewer police officers on the street? My precept is going up—I am paying more. Why aren't we getting more police?" That is a perfectly reasonable question. I have to explain to my constituents something I think is unjustifiable, which is that the Mayor of London is having to put up their precept because he is doing his best to stem the tide of cuts from central Government.

This is a repeat pattern of behaviour: central Government make decisions here and pass the buck to local decision makers, who are responsible for implementing the cuts.

Owen Smith (Pontypridd) (Lab): My hon. Friend is making an extremely powerful speech. Does he agree that it is not just in London that there is this deeply familiar pattern of deep cuts to police budgets, consequent cuts in police numbers and consequent rises in crime? Crime is getting ever more complex. The police are having to deal, as he said, with county lines issues and drugs issues more broadly—the use of new psychoactive substances, which are spreading throughout many of our communities—and precepts are having to be put up to try to stem some of these cuts. Is my hon. Friend surprised, as I am, that 1,600 officers and staff have lost their jobs in Wales over the past 10 years of Conservative and Conservative-led coalition Governments? That is deeply damaging to the ability of the police to deliver effective policing. I am sure that he agrees that it is completely unacceptable for this additional burden now to be placed on policing.

Wes Streeting: That is a powerful, well-made point, and it really does emphasise that this is a UK-wide problem and a common experience in a diverse range of communities up and down the country. It is so difficult to tell constituents that their taxes are rising, while their services are getting worse. It will be even more difficult to say that there will be fewer police officers on the streets of my constituency because the Government have changed some pension rules. My constituents will wonder what on earth the Government are playing at.

The Chancellor managed to find 500 million quid here, 500 million quid there and 500 million quid virtually everywhere to get a few good, cheap headlines the day after the Budget to create the illusion that the Government are putting money back into public services, even though we know that these sums were largely one-off grants for, as he so badly put it, the nice little extras. What I found most astonishing was that, even as the Chancellor, like Father Christmas a few months early, was sprinkling money across Departments, he did not find a single penny for policing. I genuinely found that astonishing; it suggests that the Treasury is out of touch—in fact, what it is doing with these rules, given the impact on police budgets, tells me that it is out of touch.

I am sure that I am not alone in having policing and crime as the No. 1 concern in my constituency. As I said at the outset, this place is understandably focused on Brexit and its generational consequences for years to come, but the discussion around dinner tables in my constituency tonight is more likely to be about crime and community safety, particularly given recent events. My constituents will be horrified at the way the Treasury is conducting itself in relation to these pension changes and the resources it puts into policing.

Owen Smith: I am grateful to my hon. Friend for giving way; he is being extremely generous with his time. I put it to him that it is not true that the Treasury is out of touch on this; I think it knows exactly what it is doing. It is not just in respect of police pensions that it is changing the rules, pushing extra cuts on to policing. The same is true in respect of further education colleges and university pensions. There is a consistent pattern; it

is repeat offending by the Treasury in this regard. It is not just policing that we should be addressing this evening; it is all the other public services that are equally subject to these sorts of changes, which will entail cuts.

Wes Streeting: I strongly agree with my hon. Friend. I could give chapter and verse on the impact of pension contribution changes across a range of public services.

Owen Smith: It is not just policing.

Wes Streeting: As my hon. Friend says, it is not just policing. Before I was elected to this place, I was deputy leader of the London Borough of Redbridge. I had the enormous privilege of representing my home community on Redbridge Borough Council for eight years, and what I consistently saw across local government services was exactly the same pattern of behaviour: decisions taken in the Treasury brutalised the budgets of Government Departments, and then the Government Departments devolved the cuts, and the responsibility for those cuts, to local authorities. That is absolutely outrageous.

When the austerity agenda first began, I think everyone would acknowledge that some cuts were made to services that, frankly, some people did not really notice. What has changed over the past eight years is that the Government started by clamping down on some of the inevitable inefficiencies and waste that exist in any organisation with big infrastructure, then they began to impact on services—particularly specialist services that do not necessarily benefit the largest number of people but that have a substantial impact on particular service users—and now we are in a position where these cuts and the austerity agenda are not just widely felt, but deeply felt. That is why the Government have felt compelled to change their narrative on austerity.

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. The hon. Gentleman is doing very well, and I know he wants to keep it going, but he has to try to stick to the subject. By talking about austerity, he will widen the debate completely out of where we are meant to be. This is about police pension cuts. I do not mind a debate around policing, but we cannot go over everything. There are a lot of other speakers, so he does not need to filibuster.

Wes Streeting: Thank you, Mr Deputy Speaker. I will take your advice.

In London we have already lost 3,000 police officers, which is having a serious impact on community policing. In fact, my constituents are now under no illusion. Community policing only really exists in speeches by Ministers at the Dispatch Box; it certainly does not exist in reality on the ground. The few stretched resources that we have left on the ground are really struggling.

The changes to police employer pension contributions are one of the most egregious changes that the Government have made to policing, and no doubt we will hear the same rhetoric as they try to make the contribution changes sound as technocratic and as irrelevant to people's everyday experiences as possible. The reality is that people have really noticed the police cuts. This invidious language, saying, "Don't worry, because we have cut out all the back office," is not only disrespectful

to public servants who did an excellent job, and who have now lost their job. I can tell the Minister that what police officers in my constituency tell me is that they are now spending more time processing criminals than catching them. That is not an acceptable state of play, and I fear that things will become far worse as a result of these changes to police employer pension contributions.

I give fair notice via the Treasury Bench that, when the Chancellor next comes before the Treasury Committee, he can be assured of a rough ride on the decisions he is taking and their impact on Home Office budgets, and therefore on police budgets. What he and his predecessor have done is absolutely outrageous, and I note the irony of editorials in the *Evening Standard* railing against police cuts and rising crime in London, and trying to pin responsibility on the Mayor of London. The editor of my local newspaper might like to look in the mirror before dishing out blame to others.

How the Government are proceeding is a terrible mistake, and we must not countenance it. I am grateful to my right hon. Friend the Member for Wolverhampton South East for securing this Adjournment debate, and I am grateful to the Government, because their shambolic handling of the business of the House means that we now have so many hours to debate this subject before the House adjourns.

Mr Deputy Speaker: Only if you let somebody else get in.

Wes Streeting: We have so long, but I will draw my remarks to a conclusion. [HON. MEMBERS: "More!"] This is a novelty I am not used to. We know why we are here—obviously, we are trying to draw out the business—but this is a serious issue. We would not have stuck around for any old Adjournment debate on an obscure issue; this is so important to us in our constituencies. Whatever is going on in the wider world around Brexit, I cannot emphasise strongly enough that no issue is more important to my constituents than policing, police numbers, police budgets, crime and community safety, and therefore no issue is more important to me.

4.50 pm

Rachael Maskell (York Central) (Lab/Co-op): It is a pleasure to follow the excellent speech from my hon. Friend the Member for Ilford North (Wes Streeting) about the real issue of policing here in the capital, but I want to reflect on North Yorkshire. Everybody says what a wonderful city York is, and I agree with that, but it is really challenged, too. Crime is an issue that has been brought to my attention by so many of my constituents, and we have challenges and pressures on our police service.

I want to raise a number of points associated with that. Antisocial behaviour has provided our city with a poor label at night and we do not have the policing available to bring that under control. As is the case for other hon. Members, county lines has also had a real impact on our city. Individuals are preying on the most vulnerable people in our city. I spent an evening with the police recently, and I was devastated to hear how the county lines special operations unit was being cut. These are vital prevention services being cut, and it is because the money clearly is not in the budgets to be

[*Rachael Maskell*]

able to provide security and safety to the most vulnerable children in our communities and the most vulnerable people in our cities.

The police also pick up capacity where other services fail. We cannot dismiss the 50% cut in local authority funding and of course the cuts to safer neighbourhoods partnerships, which are formed with the police. The police are ever more having to subsidise for those serious cuts in our communities. I must also raise the issue of the serious impact on mental health and the fact that our police officers are often at the frontline of providing mental health services to some of the most vulnerable people we know in our communities. Of course, where there are pressures on the mental health service—despite the warm words from the Prime Minister—the money is not reaching the frontline. Services are seriously at risk and stretched, and this is putting people in my constituency at risk. If the cuts we are hearing about to our police service are added to that, it will put a real pressure on those services.

Again, I want to reflect on an evening I spent with the police. I was meant to be looking at some of the work they were doing to tackle county lines, but instead I was diverted to spend five hours with a woman with dementia, whose partner had tried to take his life. Fourteen professionals were involved in that case, which diverted resources. Five police officers were involved in trying to provide safety for that individual because of the failed mental health services. The police are having to pick up the price of other services which are not able to fill those spaces, an issue I am sure the Minister will wish to respond to because it has an overall impact on the budgets available to policing. That is what we are discussing tonight: the impact that this is having on our communities, and on their security and safety. Crime in York has now become an issue that is frequently not only in the headlines of our newspapers, but on the lips of my constituents, as I speak to them day by day. They are increasingly concerned about what is happening in our community. We have many pressures in our city, but crime has shot up the agenda—

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. Sorry, but this debate is about contributions to pensions. We have to be very careful here, because otherwise we could open up all areas. As much as I love York and know how important it is, and as much as you may be right and I understand all the aspects you have raised, I must ask you to include pension contributions as well, in order to help me.

Rachael Maskell: I am grateful for your guidance, Mr Deputy Speaker. I was about to turn to the pension changes. Police and crime commissioner Julia Mulligan wrote to me just yesterday about the pressures. This issue applies not only to North Yorkshire police; as the Minister will know, as of tomorrow it will affect the North Yorkshire fire and rescue service because the services are to be amalgamated. We are therefore not only putting community safety at risk but risking safety with regard to the fire service—

Mr Deputy Speaker: Order. Sorry, but as much as the hon. Lady wants to spread the debate, it is not a debate about the fire service and it is not about dementia. It is

about police pension contributions. I am trying to be as helpful as I can be; if Members can ensure that the debate is about pension contributions, the lack of police numbers and the fact that they may have to be cut, that will help me a lot. Bringing in the fire authority does not help me in the slightest.

Rachael Maskell: Thank you, Mr Deputy Speaker. The motion refers to changes to police employer pension contributions. As I was just explaining to the House, in North Yorkshire, as of tomorrow, the fire and rescue authority and the police will be amalgamated, so the fire and rescue service is absolutely pertinent to the debate. I shall therefore continue as I was, Mr Deputy Speaker.

As I have already highlighted, the cost to North Yorkshire police will be £1.6 million in 2019-20 and £4 million in 2020-21. That is on top of the £10 million that is already having to be saved. The police authority was seeking to recruit another 70 police officers but is now having to put that opportunity on hold.

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): My hon. Friend is advancing an important argument, which is that every penny that the police now have to put into increased employer contributions is one penny less that they have to spend on the mental health services and employer support that they have to provide, and on vital community services. Does she agree with my local chief constable in Staffordshire, who has said that cuts like this will not only impact on police numbers, but mean that in some parts of the county the services that he provides in addition to traditional policing will just have to stop?

Rachael Maskell: My hon. Friend makes a really important point. Policing is not just about the police service; it is about the wider partnerships that are formed.

Let me return to the point I was making—

Gareth Thomas: Will my hon. Friend give way?

Rachael Maskell: I will just make a little progress, then I will be happy to give way.

The problem raised by the police and crime commissioner is that there is no certainty in the future, beyond 2019-20, about the impact of the cuts to pension contributions, so it is really important that we have clarity from the Minister about the future of the police force, not only in the short term but in the long term.

Gareth Thomas: My hon. Friend is making a good speech about her area. Does she agree that the Minister and his Home Office colleagues will have an early opportunity to put right the debacle that has motivated my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) to secure this debate? The report on the police grant has to come before the House soon; perhaps my hon. Friend might like to encourage the Minister to intervene on her, perhaps at 5 o'clock, to set out a specific guarantee that the Government are going to fill the gap identified by my right hon. Friend?

Rachael Maskell: My hon. Friend is absolutely right that the Minister has a real opportunity to alleviate the fears of police and crime commissioners and those with responsibility for policing up and down the country, and to address the real shortfall they are facing

in their budgets. I would of course welcome any intervention from the Minister in which he did that, because there is clearly a lot of concern throughout the country, not only for our constituents' security but for the services themselves.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): In the absence of an intervention from the Minister, perhaps I can echo what my hon. Friend is saying. Northumbria police and crime commissioner Vera Baird has written to me to say that the

"pension changes demanded by the government could cost Northumbria £11 million per year...equivalent to a loss of 220 Police Officers."

That follows a cut of a third in funding since 2010, which has already led to the loss of 1,000 police officers.

Rachael Maskell: I thank my hon. Friend for her intervention. We all know that Vera Baird, a police and crime commissioner, commands so much respect across the whole community of police and crime commissioners. She does not mince her words in highlighting the real pressures that are now bearing down on her budgets in Northumbria. It is clear that, across the country, police and crime commissioners are being put under undue stress in trying to balance sheets that cannot be balanced.

Let me return, if I may, Mr Deputy Speaker, to the situation in North Yorkshire. I am not sure whether you heard my response to the point that you made to me about the fire and rescue service.

Mr Deputy Speaker (Sir Lindsay Hoyle): Just to help: I recognise that you are bringing the subjects together. It is about trying to save money and being forced to do so, but what I want you to do is to link that up to pensions. As long as you link the subject to pensions, I am comfortable, I can assure you.

Rachael Maskell: I am really grateful to you, Mr Deputy Speaker, for providing that clarity. This absolutely does link into the pensions, as the police and crime commissioner has set out for me. There is a perception that there is a large financial reserve within the budgets to absorb costs such as pensions but, clearly, that is not the case, and it is certainly not the case in North Yorkshire. Home Office figures of 6 November 2018 showed that the financial reserves of the North Yorkshire fire and rescue service, as a share of core spending power, were the third lowest in the country, at just over 20%, which equates to £6.6 million. The amalgamation of the fire service and the police will, therefore, bear down on the police pension. The same is happening in the areas represented by my colleagues. In fact, it is estimated that the fire and rescue service will have to lose 37 firefighters, which is 12% of the overall total number of firefighters in my constituency. Again, that will have a real negative impact on safety. That is a direct result of the cuts that we are debating this evening.

Mr Deputy Speaker: I must say to the hon. Lady that we are not debating cuts; we are debating the pension contributions to the police. I am trying really hard to allow you to raise cuts in other areas, but I would be much happier if you could please keep pension contributions in part of your speech.

Rachael Maskell: Let me clarify my point, Mr Deputy Speaker. Cuts are coming because, obviously, the police and crime commissioner is having to divert the budget into pensions. As a result, services are being cut. Therefore, that has a negative impact on the services that are being provided. So this is directly about cuts as a result of having to divert budgets. I hope that that clarifies that point. That is what police and crime commissioners are having to manage.

Mike Amesbury: Just to clarify, is the police and crime commissioner for North Yorkshire a Conservative?

Rachael Maskell *indicated assent.*

Mike Amesbury: I have just received a tweet from a Tory councillor in Cheshire who claims that we are posturing in this debate. What does my hon. Friend say to that?

Rachael Maskell: Julia Mulligan wrote to me yesterday, before this debate, to urge me—[*Interruption.*] Yes, a Conservative police and crime commissioner. She wrote to me to urge me to make the case to the Minister about the impact that these pension contribution changes will have. Clearly, that has a direct effect on the services that can be run, so it is not posturing. We are deeply, deeply concerned about the safety of our communities as a result of the redirection of resources.

Chi Onwurah: Let me emphasise and underline my hon. Friend's point about the connection between the changes to pension contributions and future cuts. The police and crime commissioner for Northumbria has said that, should these changes to pension contributions go ahead, she will need to make savings of £4.3 million in 2019-20 and a further £6.7 million in 2020-21.

Rachael Maskell: I thank my hon. Friend for providing that clarity. Yet again, we are talking about services that are having to be reduced as a result of resources being diverted into pension pots. These services have clearly not been receiving the revenue to properly substantiate their current pensions. For our police and crime commissioners, this means that £1.5 million will have to be diverted just to address the fire service alone. I have mentioned the loss of firefighters as a result, but there is also a lack of resource to deliver the replacement of five fire engines because of the budget being diverted. When it comes to crewing, over a third of the day's shifts at fire stations are affected as the budget is diverted into the pension contributions that will have to be made. This is happening as a result of the new pressures and demands on the service. The police and crime commissioner also highlights the cost of crewing three quarters of the 24 retained fire stations.

Mr Deputy Speaker (Sir Lindsay Hoyle): I really am sorry; I am trying very hard to be helpful. It is no use the hon. Lady shaking her head at me. I did not pick the title of the debate. The title is very clear: police pension contributions. As much as fire crew numbers, fire stations and fire engines are important—and I am 100% in agreement on those points—unfortunately the debate is not about the fire service.

Rachael Maskell: Yes, it is.

Mr Deputy Speaker: No, it is not. I am sorry, but the title is on the annunciator: police. It does not mention fire services. I am going to have to give a ruling, which I did not want to do. The debate is about the police, not fire services. I understand that there is a consequence, but let us stick to the effect of police pension contributions.

Rachael Maskell: With respect, Mr Deputy Speaker, I can see that the title on the annunciator is actually different from that on the Order Paper. I am speaking to the title on the Order Paper, which is “Changes to police employer pension contributions.” North Yorkshire police will tomorrow incorporate the North Yorkshire fire and rescue service, so these points are directly related to the title on the Order Paper, as opposed to the title on the annunciator.

Mr Deputy Speaker: Unfortunately, I think you have answered your own question—tomorrow, not today. Let me help the House. There are other Members who wish to speak. The 5 o’clock deadline has passed, so there is going to be no statement from the Government tonight. By all means, let us hear speeches, but if this is about keeping the House going, there is no purpose at this stage.

Rachael Maskell: Thank you for that clarity, Mr Deputy Speaker. As I was saying, we are talking about future contributions to the pensions scheme across the board. Therefore, whether the changes to the police are happening tomorrow or into the future beyond that, clearly there will be a devastating impact across North Yorkshire, as I have highlighted in my contribution. I will leave it there because I know that other hon. Members wish to speak.

Mr Deputy Speaker: What a great choice.

Jack Dromey *rose*—

Gareth Thomas *rose*—

Mr Deputy Speaker: We started off with the midlands; let’s go with the midlands again and then we will come back to London. I call Jack Dromey.

5.7 pm

Jack Dromey (Birmingham, Erdington) (Lab): I would like to talk about why the police matter; the impact thus far of cuts to the police service; and just how serious the impact will be if this situation continues, particularly when it comes to pension costs.

The first duty of any Government is the safety and security of their citizens. That is a duty that Labour took very seriously while in government. We invested in the police service, with 17,000 extra police officers, 16,000 police community support officers, and the establishment of neighbourhood policing, celebrated worldwide for its effectiveness and much loved by the public, bringing crime down by 43%. We have now seen the dramatic turning of the tide. Under this Government, 21,000 police officers have gone, with crime rapidly rising as a consequence. In the west midlands, 2,100 police officers have gone, and the impact on the public and the police has been catastrophic.

In the Perry Common area of my constituency, fear stalks a certain street. One woman said to me, “I have lived here for 44 years, Jack, but I now cannot go out at

night because I fear the consequences.” There has been an outbreak of knife crime and gun crime. In another part of my constituency, Frances Road, there has been a rapid growth of houses in multiple occupation, with the associated crime and antisocial behaviour, transforming a settled community into a place where a mother told me, “Every time my daughter wants to get the bus on Slade Road, I have to take her down there because she fears going out by herself.” There is the impact on a settled, strong community such as Castle Vale, with the outbreak of crime and antisocial behaviour. As ever fewer police officers have been on the beat, the problems have got ever worse. There is also the impact on the Fort shopping area, with a rapid growth in crime and antisocial behaviour.

We will see whether the statement made by the Home Secretary is translated into practical action at the next stages. As my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) said in his brilliant speech, if the Government are saying that they get it, they now need to act on it. What is so extraordinary is that, up until now, the Government have been in complete denial. The current Prime Minister, previously the Home Secretary for the best part of seven years, would say, “We cut police, yes, but we cut crime.” Nothing could be further from the truth.

The explosion in crime all over Britain is deeply worrying, as is the progressive hollowing-out of neighbourhood policing. At the heart of this debate are the concerns being expressed by the West Midlands police service as to what will happen to neighbourhood policing. Neighbourhood policing is not just crucial in terms of safety and security—actually, neighbourhood policing is the bedrock of counter-terrorism. It is about the systematic cultivation of relationships with the community, the acquiring of intelligence and the identifying of wrongdoing that is absolutely essential. The West Midlands police have said that, if they have to pay these pension costs, 450 more police officers will go as a consequence. That will stretch the thin blue line ever thinner, with ever more serious consequences.

Gareth Snell: I think we all know in this House the dedication that my hon. Friend has to the police services not just in the west midlands but across the country. He speaks very much to the situation we have in Staffordshire, where neighbourhood teams are now being asked to look after increasingly large areas, meaning that they lose the connections with local communities whereby they gather intelligence and prevent much more serious crime from happening. Does he share my concern that there is only so far that we can stretch neighbourhood policing before it becomes meaningless and before what we actually have is policing that is no more than numbers of officers sitting at a desk because they simply cannot patrol the patch they have been sent to?

Jack Dromey: My hon. Friend is absolutely right. There is the hollowing-out of neighbourhood policing, with the immense dangers that I have described in relation to, for example, counter-terrorism, as well as the role that neighbourhood policing plays in engaging people, diverting them from crime, and preventing crime in the first place. All of that goes. Across the west midlands—and, indeed, across the country—every effort is being made by our chief constable and our police and crime commissioner to preserve neighbourhood policing,

but increasingly it is neighbourhood policing in name only because police officers are getting pulled off neighbourhood policing and put on to response. That absolutely cannot be right.

Chi Onwurah: I thank my hon. Friend for the excellent speech he is making. Over the summer, I spent a day with my Northumbria police force, where what he is speaking about was so evident. Police officers and neighbourhood police are already working through their own breaks—in effect, working unpaid overtime—in order to try to deliver the service that they could deliver before, and in the knowledge that future cuts would make this absolutely untenable. As a consequence of that, I am, for the first time, having to hold a surgery in Newcastle dedicated entirely to crime because of the concerns in our neighbourhoods.

Jack Dromey: My hon. Friend is absolutely right. In the debate on the impact of increased pension costs, the point has been made to me that this is about the impact not just on the public but on the police themselves. We are seeing real and growing problems of sickness, ill-health and sometimes mental stress as a consequence of the thin blue line being stretched ever thinner.

These are dedicated men and women. I pay tribute to our police service. The job that they do, often in the most difficult of circumstances, is truly outstanding, and to see the way that they have been treated and disparaged is fundamentally wrong. I remember when regulation A19 was used in the early stages of police cuts, and some of the most outstanding police officers in the west midlands were forced out of the service—people such as Detective Constable Tim Kennedy, who was one of the best in Britain, and Inspector Mark Stokes, whose leadership was outstanding. Those were excellent men and women who had served in the police for 30 years and were forced out at the age of 51, 52 and 53, all as a consequence of the Government's determination to reduce the police service, betraying the first duty of any Government.

Dr David Drew (Stroud) (Lab/Co-op): My hon. Friend is making a truly excellent contribution. Does he accept that one problem—we see this in Gloucestershire—is that an increasing number of police officers do not see through their course of duty? They are retiring early, which has a huge impact on the pension fund because they are not contributing for their whole 30-year service, as they used to, and that is having a deleterious effect.

Jack Dromey: My hon. Friend is absolutely right.

In the context of this discussion on the impact of yet further cuts to the police service, I want to mention a police officer in my constituency—it would not be right to name him—who was in tears because he could not believe what was happening. He was under real and growing pressure. He was absolutely dedicated to the service that he had given his life to, and he wanted to remain in the service. The fact that really good men and women are contemplating leaving the service they love as a consequence of the growing impact of cuts is fundamentally wrong.

The Government can no longer be in denial. It is simply not true that they cut police and they cut crime. Crime is soaring, including new forms of crime. The police

statistics now take account of cyber-crime, of which there are 5 million incidents a year and more. We are at a defining moment in the history of the police service in our country. At the sharp end, our police and crime commissioner David Jamieson and Chief Constable Dave Thompson, who give outstanding leadership, are doing everything they can. They are modelling what happens if they have to find the money necessary to avoid 450 more police officers going as a result of police cuts.

The voice of the police service is clear: enough is enough. The Government cannot ask the overstretched and underfunded police service to pay the costs of much-deserved increases to pension entitlements. Neither should they ask the public to pay. The Government are saying to local authorities, "Oh yes, by all means fund the increase—use the precept," which devolves responsibility and blame, and absolves the Government of their responsibility through the Treasury to give priority to investment in our police service.

Gareth Snell: I thank my hon. Friend for giving away a second time. Does he share my concern regarding the precept that the indiscriminate way in which council tax varies so greatly across the country means that there is a 2% increase in Staffordshire, but it is considerably less than 2% in some London boroughs and possibly 2% more in other places? We are therefore building inequality into police funding, rather than the equality we need.

Jack Dromey: My hon. Friend is absolutely right. We have a bizarre situation under the current formula in which high-need, high-crime west midlands suffers disproportionately much more than low-need, relatively low-crime Surrey. That cannot be right.

In conclusion, this is a defining moment for the police service. Labour, led by our excellent shadow Policing Minister, my hon. Friend the Member for Sheffield, Heeley (Louise Haigh), is time and again making the argument as to why policing matters. If the Policing Minister came to the streets and estates of Erdington, he would see increasing fear and hear people saying, "The police are great, Jack, but we never see them any longer. We're losing contact. We rang up, but they couldn't come out; they said they were overstretched." That cannot be right. That is why it is crucial that the Government commit to funding these much-deserved pension increases, reversing the tide of the last eight years and investing in their first duty, which is the safety and security of the British public.

5.19 pm

Gareth Thomas (Harrow West) (Lab/Co-op): I am grateful to you, Mr Deputy Speaker, for allowing me to participate in this debate on the increase in employers' pension contributions that is expected of the police. I want to reference in particular the situation in London. If the House will forgive me, I will be largely parochial in my comments.

The context for my comments is the potential demand facing London for £130 million to meet the gap resulting from how the Government have decided employer pension contributions should be calculated. As I said in an intervention on my hon. Friend the Member for Ilford North (Wes Streeting), Sadiq Khan, the Mayor of London, has identified that the change will potentially cost the

[Gareth Thomas]

Met police £130 million, which is equivalent to some 2,000 police officer positions. As my hon. Friend rightly set out, that comes in the context of some 3,000 police officers having already been lost from London since 2010.

In my London Borough of Harrow, we have seen just shy of 200 police officer positions lost since 2010. My hon. Friend the Member for Birmingham, Erdington (Jack Dromey) effectively challenged the Minister for Policing to go to the estates in his community and hear the concerns about rising crime. The Minister has already been to many of the estates and roads in my constituency and already heard many of the concerns, because every general election he is to be found knocking on doors in Harrow West. He is ostensibly campaigning for the Conservative opponent to the sitting Labour and Co-operative Member for Harrow West, but perhaps he is quietly canvassing for me—I do not know. He is assiduous in ostensibly trying to help every Conservative candidate, and as a result will have consistently heard the concerns about policing in Harrow.

The Minister will know, for example, of the rise in violent crime. That is noticeable in particular over the past 12 months in Rayners Lane and the Grange Farm estate, where we have seen guns used in incidents of violent crime. That is an unprecedented situation in my time living in the borough. Many of my constituents are well aware of the prevalence of drugs being consumed and traded in South Harrow and along the Northolt Road. They are also aware of that in the Harrow part of the Racecourse estate. They are concerned about incidents of antisocial behaviour, particularly aggressive drinking, in Wealdstone and South Harrow. They ask where the police are in dealing with that.

What has happened in recent years has been the slow reduction in police numbers. If the Minister for Policing and his boss the Home Secretary again fail to persuade the Chancellor of the Exchequer in advance of the police grant report to make good the £400 million-odd that is required nationally to stop further cuts to policing due to the increase in police employer contributions, the concern is that there will be further cuts to policing in Harrow, and that is profoundly worrying. As a result of the merger of police borough command units that Sadiq Khan has had to make happen, Harrow—a still comparatively low-crime borough in comparison to its neighbours—Barnet and Brent have been merged. We face the very real prospect of the police officers assigned to the three boroughs increasingly being used to fight crime in Barnet and Brent and more police being diverted out of Harrow for that purpose.

The concerns of my constituents have been exacerbated by the fact that the response teams for the new borough command unit will be based not at Harrow police station, but in the police stations in Colindale and Wembley. That will, inevitably, increase the response time for violent incidents in Harrow. Let us bear in mind the fact that the custody suite at Harrow police station has been earmarked for closure for some time, so those who are arrested in Harrow will be taken primarily to Colindale, but potentially also to Wembley. That will increase the amount of time for which police officers are outside our borough and unavailable to respond to crime.

Like, I suspect, many other Members of the House, I took time out over the summer to go on patrol with the police. It was striking to me just how thin the thin blue line is in Harrow. Officers who are required to be part of response teams also have to deal with ongoing police matters. Because of the small size of the response teams, it takes longer and longer to gather evidence and deal with incidents of crime. Unsurprisingly, the number of people who are taken to court and convicted of crimes is substantially down. If the money cannot be found to make good the increase in the shortfall in employers' pension contributions, the situation will get worse.

I am struck by the rise in gang tensions in outer London. When I was first elected as a Member of Parliament, gang tensions—to the extent that they existed—were a feature of inner London, but they have now become a feature of outer London. There have been many good initiatives, and I take the opportunity to praise in passing the Ignite Trust, a superb charity that operates in my constituency, for its efforts to resolve some of the tensions between a gang based in my constituency and another based in the neighbouring borough of Ealing. Despite such work, without the support of a more visible police presence, I suspect that we will continue to face difficulties with rising gang crime.

Other hon. Members have raised the significant impact on neighbourhood policing of the loss of police numbers. I remember when the last Labour Government introduced neighbourhood policing, and what a difference it made in the south Harrow part of my constituency. At one high school, unsavoury characters used to collect outside the school gates. When police from the ward-based neighbourhood policing team were deployed outside the school gates for half an hour, those unsavoury characters instantly disappeared, and any who did show their face could be pursued. The neighbourhood police were able to provide an immediate and effective response. The visibility of PCSOs and police officers substantially reduced the fear of crime in my constituency and across London. It is profoundly concerning that the Government have not grasped the scale of the fear of crime in inner and outer London.

Graham P. Jones (Hyndburn) (Lab): My hon. Friend talks about the effectiveness of neighbourhood policing and PCSOs. Does he agree that they are the eyes and ears of the police? The reason for the rising crime rate under this Tory Government is the removal of neighbourhood policing, which gathers intelligence for the whole police service.

Gareth Thomas: My hon. Friend is absolutely right. Whether in the north of England or in our great capital city, it has been a false choice to allow the funding cuts to the police that have led to the reduction in neighbourhood policing. Unsurprisingly, there has been a reduction in the number of people convicted for committing crime as a result. There are not the police officers to access the necessary intelligence to find those who are guilty of offences or to process them through the courts. I hope it will not be long before the Minister comes to Harrow West again. I am willing to take him on a tour of the hotspots of crime in Harrow to help him better understand his responsibilities, not just to my constituents and the

constituents of London, but to all the people of this great country who deserve far better than they are getting from this Government in terms of funding to fight crime.

I end by paying tribute to my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) for securing this debate. I hope that at the conclusion of this debate, and if not today then perhaps at the police grant report or at Prime Minister's questions next week, we hear an announcement that there will not be a requirement on police forces to find an extra contribution to pension funds and that we will not see the substantial reduction in police numbers many of us fear will happen if the Government go ahead with this measure.

Several hon. Members *rose*—

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. I am going to bring in the police Minister. Maybe he could give me a little update, if there is any news, to help the House at this stage.

5.31 pm

The Minister for Policing and the Fire Service (Mr Nick Hurd): I am delighted to provide an update and to say how much I have enjoyed this important debate, although it is slightly longer than I anticipated when I woke up this morning.

I am authorised to give an update to the House in response to the many points of order raised by Members on the clear sensitivity around due process in relation to the hugely important issue of any Brexit deal. I am authorised to inform the House that there will be no press statement this evening. There was considerable concern in the House about that happening before the Prime Minister came to Parliament. I can also confirm to the House that the Cabinet meeting is still ongoing. I am sure the House will therefore appreciate that the Prime Minister is not in a position to come to the House. I hope that gives some reassurance to Members who are concerned about due courtesy and respect being shown to Parliament.

I will now respond to the substantive issue raised in the debate. I thank the right hon. Member for Wolverhampton South East (Mr McFadden) for securing this long debate, which has had many contributions. In doing so, he has done me a favour by sending another signal to the Treasury about the importance of resolving this issue. I do not want to sound facetious, because we are talking about an extremely important issue that affects one of the most important public services in the country and a service, as the hon. Member for Birmingham, Erdington (Jack Dromey) rightly said, that is the envy of most countries around the world. Let me be clear, not least to my constituency neighbour the hon. Member for Harrow West (Gareth Thomas), that I am extremely aware, not least as a constituency MP, of the public's rising anxiety about crime and the police. The Government absolutely understand that this is a system under pressure. I will come on to say more about that, but let me try to address the issues raised by the right hon. Member for Wolverhampton South East and, with his permission, some of the issues raised by other Members who contributed to the debate.

It may surprise the right hon. Gentleman to hear that he and I are in agreement. Neither he, nor I, nor the Home Secretary wants to see any further reduction in

police numbers. The right hon. Gentleman will know, because I am sure that he will have done his research, that police officer numbers have been stable over the past year. However, let me make it clear to him, as I have to police audiences, that one of the priorities for the Home Secretary and me is to increase the capacity of the police, because we have to increase their capacity to help them to respond to demand, which has risen and become increasingly complex. Therefore, without getting too technocratic, resource-weighted demand is the concern. They are getting drawn into more complex activity, which requires more time, more resource and longer, more complex investigations.

Underlying this—we have seen this shift since around 2014-15—are three elements. One is definitely the very unwelcome increase in certain categories of crime, and of course, the most alarming and most unacceptable is the violent crime—the knife crime—that the right hon. Gentleman rightly emphasised. Whatever the politics, I sense that there is absolutely cross-party support in the House to bear down on this, which is arguably one of the biggest challenges that we face as a society, given the complexity of the issues. We are definitely seeing some increase in crime—that is genuine and very unwelcome.

We are also seeing—I hope that the House sees this as something we can welcome—an increasing demand as a result of the police becoming much better at recording crime. We have to remember that it is not that long ago—2014—that the independent Her Majesty's inspectorate of constabulary was telling us that in its estimation the police were failing to record one in five crimes registered with them. That is absolutely unacceptable, and to the great credit of the police, they have responded to that criticism, but that generates additional demand.

I hope that the House would also welcome the third dimension of this increased demand, as made clear by the Office for National Statistics, which is an increased willingness of victims of so-called hidden crime to come forward to the police. I think that this represents very welcome, significant progress in society. If the victims of domestic violence, sexual assault and modern slavery feel increasingly confident about coming forward to the police, that is a sign of progress in the messages we send about the seriousness that we attach to investigating those crimes. I am prepared, as I hope that others are—whatever our politics—to show some respect to the current Prime Minister and previous Home Secretary for her leadership on this issue, including not least on modern slavery. This combination of factors has undeniably increased demand on the police, and the complexity of that demand makes their task even more difficult.

Gareth Thomas: Does the Minister accept, though, that those who see gang-related violence will not be encouraged to come forward and report what they have seen if they do not see the police securing convictions? I am worried that that is beginning to happen in my constituency.

Mr Hurd: I share the hon. Gentleman's concern because I recognise the underlying concern, which has been expressed by the Metropolitan Police Commissioner Cressida Dick and the Mayor, about encouraging people to come forward. There are issues around trust and confidence. That requires a robust police system to be

[Mr Hurd]

there for people. We are increasingly seeing that in London, but we are also all aware of some of the underlying challenges with regard to trust in the police in certain communities, on which, to their great credit, the Metropolitan police have done a lot of work over many years to try to improve. This is not straightforward, but it is a real issue.

When I said that our priority is to increase the capacity of the police, that was not just rhetoric. Last year, as part of the police funding settlement, I stood at this Dispatch Box and took the first step on that journey—a step welcomed by David Thompson in the west midlands. It was not enough in his opinion, but he saw it for what it was: a first step in the right direction towards increasing the capacity of our police system with a police and funding settlement that has resulted in an additional £460 million of public money in our police system.

I also signalled last year our intention to do something similar for 2019-20, subject to the police meeting certain conditions on efficiency and productivity, again sending a signal of our intention to support investment in, not cuts to, policing. As a result, almost every police force in the country is recruiting additional officers. The hon. Member for Ilford North (Wes Streeting) talked about the Met. As a fellow London MP, I share his concern, but I am sure he will also welcome the steps taken to recruit extra officers to the Met. I believe that 700 have been recruited through a combination of what was enabled under the funding settlement and the actions of the Mayor himself. As London MPs, we should recognise that the Met is recruiting additional officers at scale.

Alongside the funding settlement and the support for local forces is the additional investment that continues to be made from the centre, through the police transformation fund, in working with police to build their national capabilities. We know the importance of building those capabilities in a fragmented system. More money has gone in to uplift armed officer capability, to support the increasing number of detectives and to support important new facets of policing, such as the first national wellbeing programme for frontline officers, which I hope the Labour party will support, and the investment in helping the police to build something that is critical for their future: their digital capability. There is, then, additional investment in policing.

There are challenges though. I find myself in full agreement again with Labour MPs over the importance of neighbourhood policing, which has come under considerable pressure in recent years, as the independent inspectorate made clear. There has been an inconsistent picture in neighbourhood policing across the country. I hope the Labour party will support what the police are doing now to agree new guidelines on what represents best practice in neighbourhood policing. The majority of forces are now adopting that best practice, meaning we will be developing a much more consistent model of neighbourhood policing.

With that comes a growing emphasis on crime prevention. I agree absolutely with the right hon. Member for Wolverhampton South East. We cannot afford a police force that is reactive, but the police are increasingly concerned about becoming reactive. We all surely understand the importance of crime prevention. It is always smarter to invest in the fence at the top of the cliff than in the ambulance at the bottom. With that

additional capacity and rebuilding of the neighbourhood policing model, I hope and expect to see a reassertion of traditional police strengths in problem solving.

I welcome what the right hon. Gentleman said about knife crime. Of course, there is a need for a robust policing pillar for that. It needs to be a combination of robust policing and prevention work to tackle the root causes. He understands, as does everyone, all the lessons from places that have beaten down on this problem in the past. It is that combination that is important and which I see being put in place through the serious violence strategy. I thank him also for recognising the importance of the additional funding for counter-terrorism policing in the Budget. We all understand the importance of that, and I am delighted to hear that the Labour party supports it.

The hon. Member for York Central (Rachael Maskell) is no longer in her place—[*Interruption.*] I am so sorry. She has moved, which is really unhelpful for Ministers at the Dispatch Box—[*Laughter.*]—but I am delighted she is still here. She rightly raised the very important issue of mental health. All MPs engaged closely with their forces will know the growing frustration and unease among our police offices at how long they spend supporting people with mental health issues in their communities, so I hope the Labour party will welcome the additional investment in mental health locally. I am clear in my mind that one of the dividends from that additional investment must be a reduction in demand on the police, and I have made that point directly to the Secretary of State for Health.

The point I am labouring is that, although there is a lot of talk about cuts, in fact the Government have recognised that the demands on policing have changed, and, bearing in mind the limited resources and our concern for how much tax our constituents are able and prepared to pay, we have taken steps to increase investment in policing. With the £460 million, we are investing £1 billion more in our police system than we were three years ago.

Stephanie Peacock (Barnsley East) (Lab): The Minister says that he has thought again about cuts. Does he not accept that the Government's cutting more than 20,000 police officers led to the destruction of neighbourhood policing in the first place?

Mr Hurd: I am grateful to the hon. Lady for taking me on to my next point, which is a very uncharacteristically tribal one. I say with great respect to Labour Members who have stood up and talked with great pride about the amount that the last Labour Government invested in public services and policing that the honest, hard truth is that, as ever, they ran out of money. The Labour party likes to talk about cuts having consequences, but the frank truth is that cuts are themselves the consequences of the legacy of a Government in which, I may say, the right hon. Member for Wolverhampton South East served with great distinction as a Minister. The biggest legacy of that Government is the biggest peacetime budget deficit in the history of this country. Yet again, my party had to intervene to sort out a mess, which required radical action and tough decisions.

Let me make another point to the hon. Lady. There are two reasons—about which, again, we need to be frank—for the fact that, back in 2010, it was possible to reduce police budgets. First, demand on the police was

stable at that time, and secondly, there was cross-party consensus in the House that the police system was inefficient. Even Andy Burnham, sitting opposite where I stand now, was quite prepared to admit that there was inefficiency in the police system that needed to be addressed, and it has been addressed.

Wes Streeting *rose—*

Mike Gapes (Ilford South) (Lab/Co-op) *rose—*

Mr Hurd: I should be delighted to give way.

Mike Gapes: The hon. Member—

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. Mr Gapes has only just come into the Chamber. He wants to hear a bit more of the debate before he intervenes so quickly. Come on! He should know better.

Mr Hurd: Thank you for correcting me, Mr Deputy Speaker.

Mr Deputy Speaker: This man has been here throughout the debate!

Wes Streeting: I am grateful to the Minister for giving way so that the voice of Ilford can be heard.

Mike Gapes: I agree with every word.

Wes Streeting: I am almost certain that this is what my hon. Friend the Member for Ilford South (Mike Gapes) would have said, given the opportunity. Let us not lose sight of the fact that the challenge facing the Government after 2008 was the result of a global banking crisis. If it is true, as the Minister is suggesting, that the last Labour Government were profligate, perhaps he would like to explain why the shadow Chancellor and the Leader of the Opposition at the time, up to the crash, were backing Labour spending pound for pound.

Mr Hurd: The voice of Ilford should never be silenced, and I am grateful to the hon. Gentleman for his intervention. He is entitled to his own version of events, but the fundamental fact is that the coalition Government inherited the biggest peacetime budget deficit in the history of this country, and had to take some radical action.

I want to deal with the pension issue, which is the substance of the debate, but before I do so, let me make the point that when the situation has changed—and the situation in 2018 is different from that in 2010, because the picture of demand on the police has changed and the financial efficiency of the police has changed—so have the Government. We are not talking about cuts. We are talking about additional public investment in our police system: over £1 billion more this year than three years ago.

Let me now address the pension issue. There is a problem, and I want to be frank about it. As I stand here at the Dispatch Box, it remains unresolved, but, as I have said at the Dispatch Box during an urgent question and subsequently, our intention is to resolve it in the police funding settlement scheduled for early December.

Mr McFadden: I will resist the temptation to go back over the crisis with the Minister. I thought he was doing all right until then. Instead, may I ask him to clarify a point? I read out statements made by the Chancellor to

the Treasury Committee and a written answer from the Chief Secretary. I genuinely want us to leave the Chamber with the same understanding, so will the Minister confirm that no money has been set aside from the Government reserve for Departments and so on? This is an issue in which a cost has been identified, but, as yet, the question of how to pay for it remains unresolved. Will that be a correct understanding as we leave?

Mr Hurd: As I said during the urgent question, our intention is to resolve the issue at the time of the police funding settlement. It is my responsibility to bring that to Parliament and it is currently scheduled for early December. That is when we will announce our police funding proposal for next year, and I hope to resolve the pension issue.

The Government have made it clear that the costs for beyond 2019-20 will be resolved in the comprehensive spending review. So there is an issue for 2019-20, which I hope to resolve at the 2019-20 funding settlement in early December, and we have made it clear that the costs beyond 2020 will be resolved in the CSR process. I want to give a little more detail and context to that.

Andrew Percy: Does that mean that I can go back to the chief constable of Humberside—he is a first-class police officer, and, as I have said, we have managed to secure increased police numbers in recent years in our area—and say that the Government will absolutely ensure that Humberside Police does not have to cut a single police officer or all of its police community support officers, which is the potential effect of these changes in Humberside?

Mr Hurd: What I can say to my hon. Friend is that I have absolutely no intention of coming to this House to propose a funding settlement that will result in fewer police officers. *[Interruption.]* No, last year I submitted a police funding settlement that resulted in—

Gareth Thomas: On a point of order, Mr Deputy Speaker. I would not normally intervene on a speech by a Minister replying to a debate, but I am seeing on social media that, despite the Minister saying there will be no statement about the Cabinet's discussions on Brexit, there is now due to be a statement by the Prime Minister to the press afterwards. I wonder if there is any way in which we can clarify the situation.

Mr Deputy Speaker (Sir Lindsay Hoyle): That is not a matter for me, as the hon. Gentleman well knows. I am sure if somebody wishes to come forward, they can do so, but the Minister did give a very honest, open statement. I have no more to add other than what has been said. I suggest that the Minister continues with the debate unless he has an answer to the question.

David Linden (Glasgow East) (SNP): Further to that point of order, Mr Deputy Speaker.

Mr Deputy Speaker: Let the Minister at least answer the point of order first.

Mr Hurd: I am grateful to Mr Deputy Speaker. What I said at the Dispatch Box is what I was authorised to say. I have no further updates.

David Linden: Further to that point of order, Mr Deputy Speaker. The Minister is of course correct that there will be no press conference, but there is still a microphone outside No. 10 Downing Street and it is being briefed that the Prime Minister will come to that microphone and give a statement. Why is she not coming to the microphone at the Dispatch Box?

Mr Deputy Speaker: That is not a matter for me, as the hon. Gentleman well knows, but at least, if nothing else, Members have put a lot on the record tonight.

Mr Hurd: To continue with the Adjournment debate, the right hon. Member for Wolverhampton South East understands the context of the pensions issue. There was a Treasury decision, on independent advice, to revalue the public pension. I say to the hon. Member for Ilford North that this is not a technocratic issue. Only the hon. Member for Birmingham, Erdington (Jack Dromey) referred to this issue in human terms; it is about safeguarding the affordability, sustainability and value of the pensions of the public sector workers in our constituencies. So it is an important issue, and there is no other motivation behind it. In the 2016 Budget the Treasury indicated its intention to change the discount rate that applies from 3% to 2.8%. In the 2018 Budget, again on independent advice, it indicated that it intends to make a further change to 2.4% and, as a result of that, increased contributions are required from public sector employers.

The net impact on the police in 2019-20 would be an additional cost of £417 million. The Treasury clearly indicated very early that it would meet most of that, but its position has been to ask the police to find £165 million, which is broadly equivalent to what it felt it had indicated at the 2016 Budget. However, as hon. Members know, police and crime commissioners did not budget for it and they are therefore quite understandably concerned about the impact of this. The Government recognise their concern and, as the Chancellor said in his Budget statement, he recognises the pressure on the police and it is his intention to work with Home Office Ministers and the Home Secretary to find a resolution to this in the 2019-20 funding settlement. That is exactly what we intend to do.

I repeat my message of what I hope is reassurance to my hon. Friend the Member for Brigg and Goole (Andrew Percy) about our intention to build on the work that I did last year and to take the steps that are required to increase the capacity of the police, to help them to meet the demand on them, because public security is the No. 1 priority of this Government. We are determined to do what we can within the resources we have to ensure that the police have the resources they need.

Question put and agreed to.

5.55 pm

House adjourned.

Deferred Division

ELECTRICITY

That the draft Electricity and Gas (Powers to Make Subordinate Legislation) (Amendment) (EU Exit) Regulations 2018, which were laid before this House on 5 September, be approved.

The House divided: Ayes 285, Noes 223.

Division No. 257]

AYES

Adams, Nigel
Afolami, Bim
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Badenoch, Mrs Kemi
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Bebb, Guto
Bellingham, Sir Henry
Benyon, rh Richard
Beresford, Sir Paul
Berry, Jake
Blackman, Bob
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bowie, Andrew
Bradley, Ben
Bradley, rh Karen
Brady, Sir Graham
Braverman, Suella
Brereton, Jack
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burghart, Alex
Burns, Conon
Burt, rh Alistair
Cairns, rh Alun
Campbell, Mr Gregory
Cartlidge, James
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Churchill, Jo
Clark, Colin
Clark, rh Greg
Clarke, rh Mr Kenneth
Clarke, Mr Simon
Cleverly, James
Clifton-Brown, Sir Geoffrey
Collins, Damian
Costa, Alberto
Courts, Robert
Cox, rh Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Chris
Davies, David T. C.

Davies, Glyn
Davies, Mims
Davies, Philip
Dinenage, Caroline
Djanogly, Mr Jonathan
Docherty, Leo
Dodds, rh Nigel
Donaldson, rh Sir Jeffrey M.
Donelan, Michelle
Dorries, Ms Nadine
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duguid, David
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellwood, rh Mr Tobias
Elphicke, Charlie
Eustice, George
Evennett, rh Sir David
Fabricant, Michael
Fallon, rh Sir Michael
Field, rh Mark
Ford, Vicky
Foster, Kevin
Fox, rh Dr Liam
Frazer, Lucy
Freeman, George
Freer, Mike
Gale, Sir Roger
Garnier, Mark
Gauke, rh Mr David
Gibb, rh Nick
Girvan, Paul
Glen, John
Goodwill, rh Mr Robert
Gove, rh Michael
Graham, Luke
Graham, Richard
Grant, Bill
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Gyimah, Mr Sam
Hair, Kirstene
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matt
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Harrison, Trudy

Hart, Simon
Hayes, rh Mr John
Heapey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hermon, Lady
Hinds, rh Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Howell, John
Huddleston, Nigel
Hughes, Eddie
Hunt, rh Mr Jeremy
Hurd, rh Mr Nick
Jack, Mr Alister
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkyns, Andrea
Jenrick, Robert
Johnson, rh Boris
Johnson, Dr Caroline
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr Marcus
Kawczynski, Daniel
Keegan, Gillian
Kennedy, Seema
Kerr, Stephen
Knight, Julian
Kwarteng, Kwasi
Lamont, John
Leadsom, rh Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Letwin, rh Sir Oliver
Lewer, Andrew
Lewis, rh Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lopez, Julia
Lopresti, Jack
Loughton, Tim
Macleay, Rachel
Main, Mrs Anne
Mak, Alan
Malthouse, Kit
Masterton, Paul
May, rh Mrs Theresa
Maynard, Paul
McLoughlin, rh Sir Patrick
Mercer, Johnny
Merriman, Huw
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Moore, Damien
Mordaunt, rh Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, James
Morton, Wendy
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, rh Caroline
Norman, Jesse
O'Brien, Neil
Offord, Dr Matthew
Opperman, Guy
Parish, Neil
Patel, rh Priti
Penning, rh Sir Mike
Penrose, John
Percy, Andrew
Perry, rh Claire
Philp, Chris
Pincher, Christopher
Poulter, Dr Dan
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, rh Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Ross, Douglas
Rowley, Lee
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Seely, Mr Bob
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, rh Julian
Smith, Royston
Soames, rh Sir Nicholas
Soubry, rh Anna
Spelman, rh Dame Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Streeter, Mr Gary
Stride, rh Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swaine, rh Sir Desmond
Syms, Sir Robert
Thomas, Derek
Thomson, Ross
Throup, Maggie
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David

Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Vaizey, rh Mr Edward
Vickers, Martin
Villiers, rh Theresa
Walker, Mr Charles
Walker, Mr Robin
Warburton, David
Warman, Matt
Watling, Giles

Whately, Helen
Wheeler, Mrs Heather
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Wollaston, Dr Sarah
Wood, Mike
Wragg, Mr William
Wright, rh Jeremy
Zahawi, Nadhim

NOES

Abbott, rh Ms Diane
Ali, Rushanara
Amesbury, Mike
Antoniazzi, Tonia
Ashworth, Jonathan
Bailey, Mr Adrian
Barron, rh Sir Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Blackford, rh Ian
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blomfield, Paul
Brabin, Tracy
Bradshaw, rh Mr Ben
Brennan, Kevin
Brock, Deidre
Brown, Alan
Brown, Lyn
Bryant, Chris
Buck, Ms Karen
Burgon, Richard
Butler, Dawn
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Carden, Dan
Champion, Sarah
Chapman, Douglas
Charalambous, Bambos
Cherry, Joanna
Clwyd, rh Ann
Coaker, Vernon
Cooper, Julie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowan, Ronnie
Coyle, Neil
Crawley, Angela
Creagh, Mary
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Daby, Janet
David, Wayne
Day, Martyn
De Cordova, Marsha
De Piero, Gloria
Debbonaire, Thangam

Dent Coad, Emma
Dhesi, Mr Tanmanjeet Singh
Docherty-Hughes, Martin
Dodds, Anneliese
Doughty, Stephen
Dowd, Peter
Drew, Dr David
Dromey, Jack
Duffield, Rosie
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Dame Louise
Esterson, Bill
Farrelly, Paul
Fellows, Marion
Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
Fovargue, Yvonne
Foxcroft, Vicky
Gaffney, Hugh
Gardiner, Barry
Gethins, Stephen
Gibson, Patricia
Gill, Preet Kaur
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Grogan, John
Gwynne, Andrew
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Hendry, Drew
Hepburn, Mr Stephen
Hill, Mike
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Hollern, Kate

Hosie, Stewart
Howarth, rh Mr George
Johnson, Diana
Jones, Darren
Jones, Gerald
Jones, Graham P.
Jones, rh Mr Kevan
Kane, Mike
Keeley, Barbara
Kendall, Liz
Khan, Afzal
Killen, Ged
Kyle, Peter
Laird, Lesley
Lavery, Ian
Law, Chris
Lee, Karen
Leslie, Mr Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Linden, David
Lloyd, Tony
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
MacNeil, Angus Brendan
Madders, Justin
Mahmood, Mr Khalid
Malhotra, Seema
Mann, John
Marsden, Gordon
Martin, Sandy
Maskell, Rachael
Matheson, Christian
McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stewart
Malcolm
McDonald, Stuart C.
McDonnell, rh John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McMahon, Jim
McMorrin, Anna
Miliband, rh Edward
Monaghan, Carol
Moon, Mrs Madeleine
Morden, Jessica
Morgan, Stephen
Morris, Grahame
Murray, Ian
Nandy, Lisa
Norris, Alex
O'Hara, Brendan
Onn, Melanie
Onwurah, Chi
Osamor, Kate

Owen, Albert
Peacock, Stephanie
Phillips, Jess
Phillipson, Bridget
Platt, Jo
Pollard, Luke
Powell, Lucy
Qureshi, Yasmin
Rashid, Faisal
Rayner, Angela
Rees, Christina
Reeves, Ellie
Reynolds, Emma
Rowley, Danielle
Ruane, Chris
Ryan, rh Joan
Saville Roberts, Liz
Shah, Naz
Sheerman, Mr Barry
Sheppard, Tommy
Sherriff, Paula
Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, Angela
Smith, Eleanor
Smith, Jeff
Smith, Laura
Smith, Nick
Smith, Owen
Smyth, Karin
Snell, Gareth
Sobel, Alex
Spellar, rh John
Stephens, Chris
Stevens, Jo
Streeting, Wes
Stringer, Graham
Sweeney, Mr Paul
Tami, Mark
Thewliss, Alison
Thomas-Symonds, Nick
Thornberry, rh Emily
Trickett, Jon
Turley, Anna
Twist, Liz
Umunna, Chuka
Vaz, Valerie
West, Catherine
Whitehead, Dr Alan
Whitfield, Martin
Williams, Hywel
Williams, Dr Paul
Williamson, Chris
Wilson, Phil
Wishart, Pete
Woodcock, John
Yasin, Mohammad
Zeichner, Daniel

Question accordingly agreed to.

Westminster Hall

Wednesday 14 November 2018

[MRS MADELEINE MOON *in the Chair*]

Former Steelworks Site in Redcar

9.30 am

Anna Turley (Redcar) (Lab/Co-op): I beg to move,

That this House has considered the future of the former steelworks site in Redcar constituency.

It is an honour to serve under your chairmanship, as always, Mrs Moon. I pay tribute to all colleagues who are here to support this debate. The former steel site in my constituency has huge implications for the entirety of the Tees valley, so I am pleased that colleagues from both sides of the House are here to work towards the future of the site. As someone once said, we are all in this together. Regionally, locally and nationally, it is vital that everyone does their bit to ensure we build up from the devastation three years ago and get our communities back on their feet. The site is the key to the future of the Tees valley economy.

I secured this debate to draw attention to the biggest opportunity for new industry and jobs in the UK, and hopefully to send a strong message to investors around the world that the Tees valley is open for business and has the Government's full support behind it. The South Tees Development Corporation site covers almost 4,500 acres on the south bank of the river Tees. It was once the beating heart of industry, with shipyards, blast furnaces and chemical works lining its banks, and employed tens of thousands of people at its peak. On a visit to Teesside during the 19th-century boom, William Gladstone observed:

"This remarkable place, the youngest child of England's enterprise, is an infant, but if an infant, an infant Hercules."

Those booming, Herculean years sadly did not last forever. Although the area is still home to many successful businesses, its industrial footprint is significantly reduced and employment opportunities are much fewer. We aspire to rebirth the infant Hercules again by combining our great skills, infrastructure and our location in the north-east to build a new generation of industry and deliver growth across the Tees valley. Again, I welcome the support of colleagues from across the region. The jobs and investment that could be created in the Tees valley are of benefit to workers and businesses in every part of our area, and colleagues from all parties are lobbying hard for our region to get the support it needs.

The steelworks site—the epicentre of the devastation three years ago, from which our local economy has struggled to recover—must be seized as an opportunity to truly realise the northern powerhouse. The first mayoral development corporation outside London, led by cross-party politicians and local business, is working its socks off to realise the site's potential. Our local master plan for creating 20,000 jobs on the site builds on interest from more than 100 global investors. Those investors and my constituents desperately need the work that I had in mind when I secured this debate.

The master plan demonstrates to the world that we have a clear vision in Teesside for the jobs we want to create. The support we have received so far from the Government, including the measures in the Budget, which I will speak about shortly, is a welcome demonstration that they have an appetite to help us deliver our vision. However, if investors are to commit to invest in Teesside, they need to know, when they head into negotiations with the development corporation, that the Government are fully behind the project. For investors to be confident that Teesside is the place to be, they need greater certainty that the development corporation is equipped with everything it needs to deliver the plan, and that the Government's long-term financial commitment is certain. I seek those assurances from the Minister today.

First, I want to talk about some of the successes achieved by local people who have rolled up their sleeves and got on with driving our area forward. I am incredibly proud of the local teamwork to support people who lost their jobs at the steelworks, and to help many others into work. After the devastation three years ago, the community, local authorities, and local businesses, partners and politicians rallied together to put in place excellent support services. We did not just sit back, leaving the damage to smoulder.

Hugh Gaffney (Coatbridge, Chryston and Bellshill) (Lab): I just want to send a message of solidarity from Lanarkshire, where Gartcosh closed in 1986 and Ravenscraig closed in 1992. Both are big scars in Scotland, and both are still empty fields. Housing is getting built, but the work promised to us is very slow. I totally agree with my hon. Friend about what we have seen at Redcar. Jobs need to come to the places that jobs were taken away from.

Anna Turley: I really appreciate my hon. Friend's intervention. He makes his case incredibly powerfully. In so many communities around our country—in both England and Scotland—we have seen the devastation that can happen when industry declines and nothing replaces it. The site is of such fundamental importance to our local economy, and we cannot just allow it to smoulder. We cannot allow those jobs and skills to be lost. The next generation must not feel that they have to move away. We have got to accelerate the progress today.

Alex Cunningham (Stockton North) (Lab): I congratulate my hon. Friend on securing this debate. Following what my hon. Friend the Member for Coatbridge, Chryston and Bellshill (Hugh Gaffney) has said, lots of Scots came to Teesside from Lanarkshire—my home county—to work in the steel industry. We are talking about their future too.

Anna Turley: My hon. Friend is absolutely right. Teesside is proud of being somewhere that workers came to from across the country—Scotland, Durham and even the south-west of England—to build the infant Hercules. We are a proud place with people from across the country, who came together to find employment. We want to be a place that attracts people from around the country and the world.

We have used the resources locally that the Government gave us to develop business cases and our skills to drive our economic recovery in the aftermath of the closure. The SSI Task Force—a collaborative effort—has created

[*Anna Turley*]

more than 2,000 jobs, supported 336 business start-ups and overseen the delivery of more than 17,000 training courses to support redundant SSI workers back into employment. Working with private sector partners such as MGT Teesside, award-winning employment and training hubs have ensured that local people are able to benefit from the jobs created by big new investment projects. The Grangetown training and employment hub in my constituency, jointly supported by Future Regeneration of Grangetown, the council and MGT, has already made great progress. Some 2,500 residents have been registered, 1,700 have undertaken training programmes, and 610 have been supported into work, 470 of whom were previously unemployed. A similar scheme in Skinningrove, in the constituency of the hon. Member for Middlesbrough South and East Cleveland (Mr Clarke), has been supporting employees made redundant from the Boulby potash mine, providing access to training, jobs fairs and support for those who want to set up their own businesses.

Local people are taking up the entrepreneurial spirit and setting up on their own. Independent shops and bars are starting to fill some of the empty units on our high streets, and some are run by former steelworkers. Our high streets still need support from things such as business rates, but the energy of local people is already driving their revival. Support from the local council to improve shop fronts, bring empty buildings back into use, and improve and expand accommodation on our industrial estates is also helping.

Big investors are also showing confidence in our area, which speaks well for the potential of the SSI site. MGT is investing £650 million in its new biomass power plant at Teesport. Just down the road in Whitby, in the constituency of the right hon. Member for Scarborough and Whitby (Mr Goodwill), Sirius Minerals is investing \$4.2 billion in its polyhalite mine, with the material transported to an processed at Wilton International in my constituency. PD Ports and Redcar Bulk Terminal suffered significantly after the loss of the steelworks contracts. In just three years, they have reversed the damage, and have continued to build their businesses, bringing in millions of pounds of investment. They have not waited around or prevaricated; they have got on with it, showing the resilience and determination of our area.

Mike Hill (Hartlepool) (Lab): On Teesport, does my hon. Friend agree that we need to have a serious discussion about the port's future in respect of the idea of free ports post Brexit to generate more income for the area?

Anna Turley: My hon. Friend is absolutely right. We have had some really positive cross-party discussions about a free port in Teesport. The potential to create jobs, attract investment and elevate the area on the global stage is huge. We have got to ensure we get it right, but there is massive potential there, Brexit or no Brexit.

I want to talk a bit about the opportunities on the SSI site. We are building on a strong foundation of public and private sector talent and on Teesside's determination. We have the same ambitions for the steel site and a strong local team of business leaders, local authority

officers and cross-party politicians, who are all working hard to deliver on those ambitions. There are many innovative projects with an interest in the site—from energy generation and materials processing to rail and renewables—and lots to get excited about. Much of the detail is protected for commercial reasons, but some of the details have been reported in the local media. Metal production could be coming back to the site, with proposals for an aluminium cast-house facility. A £5 billion energy plant focused on clean gas is also in the pipeline, and will potentially create thousands of jobs.

I secured this debate not simply to congratulate everyone and say that everything is marvellous. I am afraid it is not. I am already aware of two big investments that will now go elsewhere, attracted by better support. The first is by the chemicals company INEOS, which was looking to Teesside as the location for its new 4x4 manufacturing plant for Projekt Grenadier. That £600 million investment could have created more than 1,000 new jobs. The South Tees site and a location in Germany were shortlisted, but it was announced just over a week ago that the company may now look to Wales instead. That is a big lost opportunity for the regeneration of the development corporation site and for jobs on Teesside. The car industry is one of our region's key strengths—the supply chain is well developed and we have a great skilled workforce.

The other lost investment I am aware of is by a major steel company with significant UK operations, which was looking to develop an electric arc furnace on Teesside, building on the excellent research into electric steelmaking by the Materials Processing Institute in South Bank. That would have returned primary steelmaking to Teesside, continuing our long and proud history of doing that. Instead, the company is now looking at a more attractive offer from the devolved Government in Scotland.

We must ask why those companies made those decisions. I believe the Government could have given them more certainty and financial support. I highlight those incidents not to spread doom and gloom—I know how important it is to talk up the area—but we need to recognise what is at stake if we cannot secure the confidence of those who are looking to invest.

Mr Robert Goodwill (Scarborough and Whitby) (Con): The hon. Lady is absolutely right that it is disappointing that the Land Rover Defender plant will not come to Teesside, but does she recognise that the site that has been allocated is an existing Ford automotive plant where there are a lot of skills? No doubt it was that, rather than the fact that the Government were not prepared to support Teesside, that tipped the balance.

Anna Turley: I thank the right hon. Gentleman for that intervention, but that just demonstrates the urgency of the need to sort the site out and get it ready. We just cannot compete with other sites if we still do not own the site and it needs huge investment to get it ready. That is why this debate is so urgent.

Brilliant companies are investing in our area. I have mentioned Sirius's \$4.2 billion project. At full production, that will have the ability to increase the size of the Tees valley economy by 18%, and some 800 people are already working on the site. However, to reach its full potential, that project, like others I have mentioned, will require a Treasury guarantee to match commercially raised funds.

I sincerely hope that the Government back up our local ambitions with the finance necessary to support that project and others, and that they avoid their natural inclination to be risk averse when it comes to backing such major projects. I urge them to believe in us in the Tees valley and in the companies that want to invest in great projects there. I am raising a warning flag. The Government must pull their weight and put the required money behind those bids, or we will continue to lose out to devolved or other nations.

The biggest barrier to realising our ambitions is the ownership of the charge on the former SSI land, which remains with the Thai banks. That is holding back progress. Negotiations with those banks are ongoing following the signature of a memorandum of understanding between the banks and the development corporation in May. That was due to expire at the end of October, but I understand it has been extended until early next year, although no press release was issued to acknowledge that. The local team is working hard, supported by funding from the local councils, to conclude a deal for the SSI land and for land owned by others, such as Tata. It is hindered in those efforts by premature announcements of multi-million pound investments that are some way off. Such announcements put at risk the chance of securing an affordable, locally negotiated deal, and risk raising local expectations. Of course, we have compulsory purchase as a backstop should those efforts fail. That process has started—landowners know they will receive nothing for the land should a deal fail.

As a first step, we need the Government to do everything in their power to support ongoing negotiations and ensure that they result in a successful agreement at the earliest opportunity. If that involves providing funding to seal the deal, that option must be on the table. Failure to gain ownership of the land and assets is holding everything back, and Ministers need to go beyond ad hoc funding commitments to provide confidence that long-term support will be forthcoming.

That brings me to funding. Before the Budget, the development corporation had just £5 million to progress regeneration work, which is not enough to get the land ready. Given the complexity of the industrial assets involved and the huge amount of work that needs to be done to clean up the site, that will cost an awful lot of money—£5 million will not stretch far. Although the management funding of £118 million in last year's Budget was welcome, it was just keep-safe money that the Government had a legal duty to provide to protect the public from industrial hazards. It was the absolute minimum required to keep the site safe and protect the lives of those who work there and of the local community. It was also aimed at reducing the Government's management costs.

In this year's Budget, three years on, the Government announced that the site is to become a special economic zone. It is not yet clear what that actually means. At this stage, the extra powers the area will be granted for being such a zone are limited to being able to retain 100% of business rates growth. There is little difference between such a zone and existing enterprise zones, of which we already have plenty around the Tees valley, and that power is already granted to local authorities. Business rates retention will increase to 75% in 2020-21 and to 100% for the pilot schemes that are already under way in 20 local authority areas.

I was concerned that that change would mean taking money that would otherwise have been received by Redcar and Cleveland Borough Council, placing the cost on local people and public services. However, answers to written questions I tabled following the Budget reassure me that that will not be the case. All business rates growth over and above the current baseline will be retained locally and shared between the development corporation and the borough council according to a formula that is still to be agreed.

Although it makes sense that the private sector should help to fund the ongoing development of the site, I am concerned that progress will be extremely slow if that is the main source of funding for regeneration. That mechanism will begin to pay off only when new industries are established, and as we do not yet own the land, that is some time away. We would like reassurance from Ministers that that will not be the limit of central Government's contribution to the clean-up of the site, not including their long-term legal responsibility to keep the site safe.

I recognise that the Budget also included £14 million to support short-term measures to help unlock two projects on the most shovel-ready land, which is currently owned by Tata. That is obviously welcome, but in the grand scheme of things it is a very limited measure when compared with the many millions that will be needed not only to prepare land but to provide crucial infrastructure.

Mr Simon Clarke (Middlesbrough South and East Cleveland) (Con): It is really important that we clarify that that £14 million is instrumental to ensuring that those two sites are available for two metals projects that will create 1,500 jobs. Although in isolation those projects represent small parts of sites, they are viable and ready to roll, and they will create real jobs in a very short period of time.

Anna Turley: Absolutely. It is great to see those projects, but three years on we are still waiting for one job to be created. I cannot wait for those jobs to be developed. I welcome the £14 million in the Budget—that is positive—but we want more, and we want the pace to be quicker. That £14 million is not sufficient to undo the damage to the local economy, which lost 3,000 jobs, with the average salary declining by £10,000. The impact of that is not sustainable. We need jobs as quickly as possible. I welcome that start, but we must accelerate.

The £14 million also depends on a successful business case being presented to the Government and on businesses being prepared to invest. I have warned about lost projects for exactly that reason: there is no guarantee that interest will turn into real investment if there is not confidence in the site.

One of our biggest warnings when the steelworks closed was that the longer-term cost of managing and regenerating the site would far exceed the limited funding needed to mothball the blast furnace and keep the coke ovens alive. Given that the Government decided not to do that, despite their offering to step in to save Port Talbot a few months later, the onus remains on them to pick up the tab for the consequences. There can be no backing out. I wrote at the time to the Secretary of State:

"Any attempt by the Government to divest itself of this responsibility, without a proper jointly developed strategy, would be challenged."

[Anna Turley]

That is therefore what people would expect me to do should I begin to have concerns. I also remind everyone that, after his appointment as Government investment tsar for the Tees valley, Michael Heseltine said:

“The money to clean up the site will be what it costs. No-one knows what the condition of the site is and although there have been estimates, they are estimates based on guess work. So it is much better to make it clear, central government will pay the clean-up costs and underwrite them whatever the bill comes to.”

As we head to the comprehensive spending review in the spring, my constituents and I are looking to the Government to provide the guarantees we need that sufficient funding will be made available to help realise our ambitions. The site is and will remain a high-risk proposition for new investors until the Government confirm that they will provide the financial backing they promised in 2015. That would mean the STDC being able to purchase the land, start real investment in infrastructure, as set out in the masterplan, and ensure that new investors can invest with confidence. Without that, I fear the development corporation will follow the lead of INEOS and turn elsewhere. I really hope it does not come to that. That is why I was so determined to make the case for funding at the time of the Budget and why I secured this debate. We need a guarantee that when we have the land, the Government will stand fully behind us for the long haul.

I want to mention additional powers. Beyond central Government funding, there are other areas where the development corporation needs to be granted sufficient resources to maximise its potential. It needs to be able to offer financial incentives to potential investors so it is on the same level as other areas in the UK. Those may include enhanced capital allowances, which would help businesses on the site to invest in new technology and machinery—especially low-carbon, green infrastructure, on which we are keen to take a lead in the Tees valley. Powers to enhance the development corporation's ability to raise cash for infrastructure, such as tax increment financing, would also be helpful. This would be a logical extension of the business rates retention scheme that has already been announced. I would like to know that Ministers are looking to expand the powers available through the special economic zone, which would offer further reassurance to investors as well.

Investing in infrastructure will also be an extremely important factor. Remediating the land, where necessary, is the first step. However, turning that land into a modern industrial site, with the roads, rail and services needed to function well and attract new investment, is crucial.

One especially important area is power, as affordable energy is vital if the site is to remain attractive to potential investors. As my Tees Valley colleagues and I have told the Department for Business, Energy and Industrial Strategy, the cap on the amount of electricity that can be supplied without paying supply levies on the private wire network operated by Sembcorp could be a deterrent to new industries.

Our local master plan sets out a vision for mixed energy sources focused on renewables, and includes the potential for either a gas or biomass-fuelled power plant. This will require significant investment, and in the medium term we have an established business here

that is ready to invest its own resources in the development of a power plant, which could provide the affordable power needed for new industries looking at the site.

In conclusion, this issue is of overwhelming importance to my constituents. Barely a weekend goes by without people asking me what is happening on the site and when they will begin to see jobs. I know that locally everyone is working their socks off, and I pay tribute to all on the development corporation board, many of whom give up their time voluntarily.

However, I am afraid that I cannot bite my tongue as press releases lauding success continue to fly past when there is not yet a single new job on the site, and when we appear no nearer to a breakthrough on the ownership issue, or to seeing a firmer commitment from the Government on funding the overall clear-up. Although I understand the importance of commercial sensitivities and will always abide by them, it is important for the community and the country that there is some accountability about where we are and what is behind the delay.

I sincerely hope that this speech can prompt a constructive debate that is free from party politicking. No one here is talking Teesside down; we all want the best for the area, and we all know the brilliance and the potential of our constituents and our communities. This effort is a sincere and earnest one to do what I have pledged to do about something that is the responsibility of us all: to fight tooth and nail to secure the jobs and investment for this site and the wider Tees Valley, and to ensure the Government keep their promises and do right by the people we represent.

9.52 am

Mr Simon Clarke (Middlesbrough South and East Cleveland) (Con): It is a pleasure to see you in your place, Mrs Moon.

I congratulate the hon. Member for Redcar (Anna Turley) on securing today's debate. It is on a very important issue—one that goes to the heart of what is happening on Teesside at the moment—and I join her in celebrating the achievements of so many local businesses, large and small, which we get to see week in, week out. They are brilliant and inspirational. I never cease to be amazed at the sheer range, scope and skill of the industrial base of the Tees Valley. It is remarkable; indeed, it is a national asset of the first order.

The hon. Lady's constituency and mine lie at the heart of the project to deliver growth, jobs and prosperity in Redcar and Cleveland, which centres on the former steelworks site. There is no downplaying the social and economic magnitude of the closure of the steelworks in 2015. Everyone on Teesside felt the consequences, and everyone on Teesside was devastated for the workforce and their families. The closure was not their fault; the truth is that the headwinds confronting steelmaking at Redcar were strong and kept blowing in.

The mothballing of the site was announced in 2009, and after SSI reopened it in 2011 it made a loss in every subsequent year of operation. Amid the desolation that followed liquidation in October 2015, the Government made a promise, which I am proud to say is being honoured. That promise was that a new beginning would be made on this iconic site, underpinned by huge Government support to secure and remediate the land, and anchored in private sector-led growth and investment.

A vast amount of taxpayers' money has been pledged, with £137 million awarded to the site in the 17 months that I have been a Member of this House. A further £74 million for transport improvements across the Tees Valley has been pledged, which the hon. Member for Middlesbrough (Andy McDonald) will know well, as he is the shadow Secretary of State for Business, Energy and Industrial Strategy.

This funding is being directed through true local devolution, in the form of the Tees Valley mayoralty. The Tees Valley Mayor has a set of powers that are the most extensive of any devolved region of England outside London, backed by the personal commitment of the Secretary of State for Business, Energy and Industrial Strategy, who grew up in South Bank, and supported by the Prime Minister, who came up in person in August 2017 to launch the South Tees Development Corporation, which covers the steelworks site. Over the past year, the Secretary of State and the Prime Minister have been joined by a whole series of ministerial colleagues, all of whom came away from the area with renewed understanding of, and enthusiasm for, the scale of the opportunity represented by the largest brownfield regeneration project in Europe.

The development corporation's master plan is to create 20,000 skilled jobs on the site over the next 25 years. We are just into the second year of that plan. Surveys of the 2,200 acres of developable land are now 90% complete and 1,500 exploratory holes have been drilled and analysed—the land proving much cleaner than had originally been anticipated.

The first new staff are currently being recruited for MGT's £650 million biomass plant, which is located at the development corporation. It is the world's largest biomass plant and is nearing completion; it is now looking for around 50 local workers. Likewise, a £250 million energy from waste plant, run by PMAC Energy, has been announced on the Redcar bulk terminal land, 50% of which is owned by SSI in receivership.

I completely agree with the hon. Member for Redcar that clean energy must lie at the heart of our local economy in future, and it would be remiss not to say a word to the Minister about carbon capture, utilisation and storage. We are entering a pivotal month for CCUS and I really hope that when the Government make their announcement they will back the idea of two dedicated clusters to develop roll-out of the technology; if they do so, I think all of us here today would join together in making the case—already so ably made by the hon. Member for Stockton North (Alex Cunningham), who chairs the all-party parliamentary group on carbon capture and storage—that one of those clusters should be located in the Tees Valley. That would be a fantastic opportunity for both our local economy and the UK's green credentials, and indeed it would be the only realistic way of delivering on our Paris climate commitments.

I return to the issue of the steelworks site. The combined authority in the area has now received more than 100 serious inquiries about investment on the site, with a first-phase pipeline worth upwards of £10 billion. That is being complemented by other enormous economic ventures. I am delighted to see my right hon. Friend the Member for Scarborough and Whitby (Mr Goodwill) present in Westminster Hall today. The £3.2 billion Woodsmith polyhalite mine, just outside Whitby, is a transformative economic venture; it will add roughly a

sixth to the entire value of the Tees Valley economy, and the mineral that it produces will be shipped underneath East Cleveland and taken through to Teesport for distribution across the world. It is incredibly exciting. I visited the site in the summer; it is truly extraordinary and what is being achieved there will be of national significance.

We also have the prospect of a freeport; I was delighted that the hon. Member for Hartlepool (Mike Hill) mentioned that prospect. However, we need to be very clear that it will simply not be possible for us to achieve the type of freeport to which we are right to aspire, if we do not leave the European Union, if we do not leave the customs union and if we do not break free to some degree from the EU state aid rules, which would make it very hard to deliver the freedoms that we want and need to see.

At the heart of all this work, all of which I hope comes off, is Ben Houchen. The leadership that Ben has shown has been transformational. As a colleague, I can testify that he works to the point of exhaustion and displays unceasing commitment to engaging with businesses, foreign investors and the Government, to stand up for Teesside.

Dr Paul Williams (Stockton South) (Lab): The hon. Gentleman has acknowledged the role that Ben Houchen has played. Will he also acknowledge that the Tees Valley Combined Authority is actually made up of the five leaders of the local authorities and the directly elected Mayor, and that together they are contributing to this plan and this development?

Mr Simon Clarke: I absolutely will. It is hugely important that this work draws together the six figures who make up the board. Ben provides exemplary leadership in his role as the first directly elected Mayor of the area, but he would be the first to say that it would be impossible to achieve anything without buy-in from Hartlepool, Darlington, Stockton, Redcar and Cleveland, and Middlesbrough. It is a team effort. The project transcends party politics. It must; otherwise it will fail.

The hon. Gentleman interrupted my thread about Ben's role. Let me pick it up by saying that Ben led the Tees Valley's first trade mission to the far east earlier this year. He led a delegation of local representatives in discussions with the three Thai banks that hold an interest in the former SSI land on the development corporation site. An agreement in principle was reached, which expires in February 2019, to transfer that land and its assets to the local public sector. In parallel, compulsory purchase proceedings have begun, to ensure that the land is back under local control as soon as possible. Separately, there is good reason to believe that a good deal to release the half of the site that is owned by Tata can be achieved in short order.

Alex Cunningham: I just wonder about the potential for agreement. Surely the Government should be working for an agreement with the Thai banks, rather than taking the compulsory purchase route which, by the time the lawyers get involved, could take years.

Mr Clarke: The Government have put themselves four-square behind the initiative to release that land. When Ben went to Thailand to meet the banks, the full

[Mr Simon Clarke]

support of the British embassy was thrown behind him. I know that Ben is genuinely appreciative of the massive efforts made by the Foreign and Commonwealth Office, as well as the Department for Business, Energy and Industrial Strategy, to make certain that we communicate to the Thai Government—as well as to the banks—that this issue is of material interest to Her Majesty's Government, and that there is an international diplomatic aspect to the need to release the land as quickly as possible.

None of this work is easy. The hon. Member for Stockton North is right that some of it will take years; there is no point in sugar-coating that. None of this lends itself to quick fixes, but critical progress is being made. We are much further forward from the ashes of October 2015 than we were in 2017 or 2016, and as a result, Ben's work has been widely welcomed in our community. In September, he was voted "most inspiring person" by Tees Valley business leaders, and my constituents recognise that he is doing his utmost.

There is an upsurge of quiet positivity on Teesside, backed by analysis from the Bank of England showing that the number of unemployed people in the north-east is down by 18,000 on a year ago, and that our region accounted for almost a quarter of the entire reduction in UK unemployment over the past 12 months. The devolution of skills strategy to the north-east, and the £24 million that has been announced for our local schools through Opportunity North East—which aims to make the transition from primary to secondary education better and more effective, working in the interests of local young people—will add to that positivity, and I stand behind those announcements. As a proud Teessider, I recognise that the South Tees Development Corporation site is a once-in-a-lifetime opportunity for our area, and I am determined that we should seize it.

Here we come to the crux of the matter. I am a realist about elective politics. At present, a gulf exists between the Conservative and Labour parties about our values, our economic strategy and our role in the world; but we have a responsibility to work together, as the hon. Member for Redcar said. It is, of course, the right and the responsibility of the Opposition to hold the Government to account in a spirit of constructive criticism, but we must avoid crossing the line into casting gloom or negativity over our area's prospects. That is a fine judgment call, but I have the sense that whatever the Government offer is not enough, and nothing Ben achieves is right. That is not because Opposition Members have a better alternative; it is, I fear, because Ben and the Government are Conservatives. We have to push back against that. If the choice is between anger and hope, I am clear that anger will not triumph over the hope of new beginnings and a fresh start for our area. We must not dampen the public's enthusiasm, and we must not spook investors about the economic prospects of our area.

Following the Budget, we heard a powerful intervention from Steve Gibson—the man who has been a beacon of hope for Teessiders since the 1980s—calling for an end to the downplaying of what has been achieved.

Dr Paul Williams: Is that the same Steve Gibson who, during my campaign to be elected as the Labour MP for Stockton South, endorsed the Conservative candidate?

Mr Clarke: And the same Steve Gibson who endorsed the Labour candidate for the mayoralty of the Tees Valley in those self-same elections that spring. He has done more for our local economy, local football team and local identity than any of us has ever done. He is held in the highest regard and esteem by thousands of people across our area, and he should be listened to on these issues.

Likewise, after the 2017 Budget, the then-managing director of Trinity Mirror, Bob Cuffe, had cause to say:

"Breaking News. Yesterday Teesside was at risk of an outbreak of optimism and hope. Families wondering if potentially good news had broken out. Thankfully Loyal Labour Forces came out quickly with Party Gloom Blankets to try and extinguish the hope."

Today I add my voice to their pleas: let us draw a line under this before real damage is done. Let us focus on the undoubted opportunity that lies ahead and work together to build a better future for the Tees Valley.

Mike Hill: Will the hon. Gentleman give way?

Mr Clarke: I will, although that was a peroration if ever there was one.

Mike Hill: As the hon. Gentleman knows, I am an enthusiast for the Teesside area in my own right. Could he please bury what is rapidly becoming an urban myth, that the Mayor's Office—Ben Houchen's office—is separately funded by Government to the tune of £1 million?

Mr Clarke: The entire development corporation project and the Mayor's office are funded publicly, in a manner that is completely open to public scrutiny. As with all devolved administrations across the country, the Mayor's Office is there to champion the interests of the local area. It requires a certain amount of staffing to do that, but I think that the leadership that is being shown from that office is absolutely integral to our hopes as an area of standing up on the stage alongside big cities such as Newcastle and Leeds, which have traditionally had a much louder voice than areas such as the Tees valley. With the disparate cluster of local authorities, we have not been able to speak with one voice. What has been achieved through devolution has astonished me. I was a sceptic about the devolution model; I thought it might just add another tier of intermediate, ineffective and bureaucratic government. It has done the opposite: it has leveraged an extraordinary amount of localised control and, more than that, has created a platform for Teesside to speak out nationally and internationally. That is a wonderful thing.

Dr Paul Williams: I thank the hon. Gentleman for giving way so generously. Does he acknowledge that it was the five Labour leaders of the local authorities who took that bold step in order to achieve the devolution deal, at a time when others were very sceptical about it, and that it is Labour that is making a really good contribution to the future of the Teesside economy?

Mr Clarke: I welcome the fact that Labour bought into this achievement. It took real vision; the Tees Valley has shown much greater foresight on this issue than Newcastle and Sunderland, which have proven

much more sceptical and have accordingly lost time in the move towards devolution. Of course, it would be very remiss not to pay tribute to the hon. Gentleman's predecessor as Member for Stockton South, James Wharton, who was the relevant Minister at the time. It was his deal that the local authorities signed up to, and it was only thanks to him that powers of such breadth have been devolved and are there to be enjoyed by the people of our area.

10.6 am

Alex Cunningham (Stockton North) (Lab): I congratulate my hon. Friend the Member for Redcar (Anna Turley) on securing the debate and for talking up our area—the positive things that are happening in our communities—but also for laying out the greater challenges that it faces. We are here to discuss the former steelworks site, where many of my constituents spent their working life before SSI walked out on our community and the Government failed to act to save steelmaking on Teesside. Local people still ask, “Why can Governments bail out banks for billions of pounds, and bail out other industries, including the steel industry in other parts of the country, but when it came to intervening to save that site in Teesside, they just walked away?”

Today's debate is as relevant to my constituents as it was three years ago, when many of them lost their jobs virtually overnight. It is relevant because the latest statistics, published yesterday, show an increase in unemployment in my constituency. Many of my constituents look to the Government to act, but it appears that the Government have just been putting on an act. A procession of Ministers has visited Teesside to talk the area up, but talk is all we have had. When those Ministers came to the area and made their various announcements, they did not invite Redcar's local Member of Parliament to join them. We all want to work together, yet we constantly find ourselves excluded. There have been dozens of press releases from the Mayor of the Tees Valley promising investment, but little if any has been delivered to date.

When MPs speak up to ask questions about what is happening and to demand answers, they are accused of talking the area down, putting investment in jeopardy and somehow working against those who are trying to solve the problems that we all face. I am sick and tired of that. None of us went into politics to talk our area down; we went into politics to work with whoever can deliver for our people. If that were not the case—as my hon. Friend the Member for Stockton South (Dr Williams), my near neighbour, has already said—why on earth would our local authorities, which have worked so well together for donkey's years, press for a devolution deal with a Government they know to have stripped tens of millions of pounds from our local council services? It was because they wanted to achieve something. They wanted the crumbs that were coming from the Government's table, because they would make that little bit of difference on Teesside.

It is, however, a fact that there has been a real lack of progress in bringing jobs and investment to the site and, for that matter, to other parts of the Tees Valley. Yes, there are legal issues to be resolved and land ownership to be sorted out, but it has been three years since the last steel was produced and not a single long-term job has been created on the site.

My real worry is not just that the Government are failing to deliver for the site, but that the local authorities, in the form of the combined authority and the metro Mayor, will never see the promise of the heavy money to develop the site fulfilled, because that is billions of pounds. Yes, there have been plenty of announcements and repeat announcements, but we need the Government to take real action, resolving the legal problems. We hear that progress is being made and that things are being done behind closed doors. We do not know the detail, but I know that it is not creating jobs.

More than ever, in the face of the uncertainty that Brexit brings, Teesside industry needs assurance and confidence in the UK. The hon. Member for Middlesbrough South and East Cleveland (Mr Clarke) talked about the fact that I chair the all-party parliamentary group on carbon capture and storage, and the importance of a project on that. I also chair the APPG on energy intensive industries. Those in industry on Teesside are beyond nervous about Brexit and what it means for them.

As a result of the proposed changes to the emissions trading scheme and escalating energy costs, we are facing a perfect storm that could land our big industries carbon tax bills running into millions, and cost hundreds more jobs on Teesside and thousands more across the country. We need an environment that can attract investors to the region, but daily news releases promising much but delivering nothing will not do that.

That includes a future for our Durham Tees Valley airport—a future that is more in doubt each day. That airport, and connectivity with London and the rest of the country, is crucial in attracting investors to the Redcar site and to elsewhere on Teesside. The Mayor promised to buy the airport, but we know that there is no more credibility to that plan than to his plan to achieve protected food status for the parmo, which doctors describe as a heart attack on a plate.

Mr Clarke: On the point about the parmo, I do not believe in the nanny state telling us what we should and should not eat. I love the parmo, and I will be the first to stand up for it. Everything in moderation.

On the airport, a non-disclosure agreement has been signed with Peel, the operators. I really do not think it is helpful or right to prejudice the status of those talks by dismissing the plan as something that will not happen. Precisely that attitude, frankly, led to Ben winning the mayoralty in the first place.

Alex Cunningham: I am sure that the hon. Gentleman is blessed, like me, with a slim figure and a fast metabolism, and will be able to cope with the odd parmo. We have a duty to be held accountable and to hold others accountable for what they have said they will do, and we have to press on whether or not negotiations are going on elsewhere. The plans to develop the airport are shrouded in secrecy. The parties involved are bound by confidentiality agreements, and those of us who are asking questions on behalf of the people we represent are getting very limited answers.

We know some things though. We know that the £5 million grant to create an access road to the south side of the airport to allow further development has been allowed to lapse. Why? In reply to a letter from me, the chairman of Peel Group, which owns 90% of the

[Alex Cunningham]

airport, said that his company has invested £40 million in the loss-making airport in recent years. He does not confirm that the airport will close in 2021 when the current agreements run out, but I fear that that is exactly what is on the cards if the Mayor fails to sort this out.

The final sentence of Robert Hough's letter does tell a story. He apologises for not being able to be more helpful, and adds:

"We hope that we will receive support from the Combined Authority to take the airport forward in the most sensible and appropriate way, but the ball is not in our court."

That means that the ball is in the Mayor's court—the man who blocked a grant to the airport to attract more holiday flights just last year. I have every respect for the Minister, having worked opposite him when he was pensions Minister, and I am sure he will confirm that the Government are not going to bail the Mayor out and use public money to buy the airport. Who is going to buy an airport that continues to lose millions? I certainly do not want Tees Valley council tax payers to pick up that bill. It is time the secrecy was ended and we started to get answers on how the Mayor is going to buy the airport.

Secrecy, however, is the order of the day for this Government. A Public Accounts Committee report published yesterday said that "excessive secrecy" was standing in the way of, among others, the chemical industry preparing for Brexit. There appear to be plenty of secrets around the SSI site too. Budgets have come and gone, with millions of pounds allocated to the South Tees Development Corporation, but we know that most of that was just to cover the ongoing costs of keeping the site safe. Some of the delegated powers, such as devolution of the further education budget, have been delivered, fulfilling part of the agreement made with the combined authority long before we even had a Mayor. I now appeal to the Minister to provide the kind of clarity that we all need, but particularly the clarity needed by the combined authority to make the real decisions that deliver investment and jobs.

Sadly, the upshot of failing to do that could be industry looking elsewhere—we have heard some illustrations of that this morning—rather than waiting for a suitable site that does not appear to be coming to fruition. We have been told that more than 100 investors have declared an interest in the site, but some of that interest is already waning over false promises and a clear lack of vision. We do not need another news release. We need the Government to take real, decisive action now.

10.16 am

Mr Robert Goodwill (Scarborough and Whitby) (Con): If the Minister takes nothing else from today's debate, it should be the commitment of all parties and all players in the Teesside area to ensuring that the site, which sadly no longer produces steel, is seen as a big opportunity, as the hon. Member for Redcar (Anna Turley) said at the start of her speech. With the Mayor of Tees Valley, Ben Houchen, leading on that, we are in a good position to mobilise everyone to make sure that it happens.

The Labour party has learned some harsh lessons about that. I was the candidate in Redcar in 1992, standing against Marjorie Mowlam. I do not think that Marjorie would have stood by in the way that her successor did, and not fought tooth and nail to keep that site. Labour learned that harsh lesson at the ballot box when a large Labour majority was swept away by a Liberal Democrat who did fight for the site.

Anna Turley: Does the right hon. Gentleman not agree that the steps taken by the Labour Government at that time mothballed the site and kept it open for another investor to come along and bring it back to life? The problem was that in 2015 this Government just turned off the switch and closed it, when they could have invested and kept it open like the Labour Government did.

Mr Goodwill: I would leave that to the people of Redcar, who took that judgment in 2010 and did not feel that their Member of Parliament at the time had the commitment. I would not lay the same charge at the hon. Lady's door. She has fought tooth and nail for that site, and has possibly learned some of the lessons of the past. People do understand whether a Member really is committed to the local people and industry, rather than seeing a constituency as a convenient place to get elected and then pursuing their career nationally.

As candidate, I visited the site on a number of occasions. At the time the blast furnace was operating at full bore, having recently been refurbished. I was shown two concrete bases on the South Gare site for the second and third blast furnaces that were due to be installed there. Indeed, we visited the basic oxygen steelmaking plant—the BOS plant—which at the time was colouring everything in the area with red dust, so some people in the area might not rue the passing of that big concrete building, which was where the crucibles of iron were blasted with oxygen and turned into steel.

Mike Hill: On the subject of steel, does the right hon. Gentleman agree that thankfully the steel industry still thrives to a degree in Hartlepool, where our 84-inch, 42-inch and 20-inch pipe mills have brought much investment and many jobs to the area? While I have the Minister's attention, will he confirm that as part of the growth for Hartlepool, a replacement for our nuclear power station is very much online, as per discussions that we have had in the past?

Mr Goodwill: Absolutely. The steel industry has a future in the UK, but it is in specialist products, such as those produced in Skinningrove and Hartlepool. Sadly, we can no longer compete with the Koreans and Chinese in the production of bulk steel. The steel industry was based on Teesside because of the ironstone and coal mines up the coast. Now that we no longer have that resource on our doorstep, it is more difficult to be competitive in the steel industry, but we have expertise in specialist steels, stainless steels and specialist products, which I believe have a great future. Indeed, we have a strong automotive industry in this country to consume the steel that is being produced. I do think that there is a future for steel in the UK, but sadly it is no longer on the British Steel site that I visited with Peter Lilley, the then Secretary of State for Trade.

I mentioned opportunities on the site. The people of Tees Valley have put their trust in Ben Houchen as Mayor because they have memories of feeling let down in the past. They have opted for optimism, rather than for the negativity that was part of the other side's campaign. I am very pleased that Ben is working collaboratively with local authorities and with the industry to deliver in the area, as my hon. Friend the Member for Middlesbrough South and East Cleveland (Mr Clarke) recounted.

I must mention the Sirius mining project, which will transform my constituency. There are already 600 people working on the Woodsmith mine site, boring a mile down the shaft to the polyhalite—an amazing resource that will make the UK a global supplier of fertilisers once again. The Boulby mine is coming to the end of its natural life and has already ceased production of muriate of potash, but it is getting into polyhalite; indeed, I have bought some to use on my own farm. There are opportunities.

Alex Cunningham: As the Minister is in the room, it is important to acknowledge that we have only two fertiliser plants in the whole UK, one of which is in Stockton North, my constituency. Both plants are run by CF Fertilisers, and both are extremely worried by the Government's proposals for a post-Brexit carbon tax, which they believe could ruin their business. Will the right hon. Gentleman join me in calling on the Minister for clarity on the matter, so that the existing fertiliser plants can continue to have a future?

Mr Goodwill: Yes. I have visited the Billingham plant, and I know that ammonium nitrate is a very important plant nutrient. The development of shale gas is key. Ammonium nitrate is basically made from air and gas, so without a good, cheap and reliable source of gas, its production is under threat. The sooner we get on with fracking for that gas so that we have our own domestic supply, the better it will be for all the energy-intensive industries on Teesside, not least the fertiliser industry.

The potash site will transform the area by providing jobs, and not only to people in Whitby. Of those who are already working at the Boulby mine, about half are from the constituency of my hon. Friend the Member for Middlesbrough South and East Cleveland, about a quarter are from the constituency of the hon. Member for Redcar, and about a quarter are from my own. We already have a lot of people working in the mining industry, and it is important that they be redeployed as Boulby comes to the end of its natural life. The 23-mile tunnel from Whitby to Teesport is a phenomenal project that people around the world are observing with awe.

We need the Government to get behind the project. The hon. Member for Redcar mentioned Treasury guarantees; this is a very big project for a very small start-up company that will be an FTSE 200 company on the day it opens production. We need that support, because it would be a great shame to see other mining companies from around the world coming in and capitalising on the project after all the work that has gone into it. I hope that my hon. Friend the Minister will pass those thoughts on to the Treasury, because we need that backing. We are talking about 1,000 full-time jobs in the mining industry for at least 100 years. This is a product that people will always need; as long as

people are eating, they will need nitrogen, phosphate and potash. The Woodsmith mine is a great source of potash.

Alex Cunningham: As a farmer, the right hon. Gentleman knows all about fertilisers. May I seek clarity on what he said about workers at the Boulby potash mine transferring to the new mine? Is something happening at Boulby that we do not know about?

Mr Goodwill: Boulby has been losing staff over the past few years and its production is being scaled down. It is already approaching the end of the muriate of potash seam—the potassium chloride seam—and is now in the lower seam of polyhalite, which is what the Woodsmith mine will produce. All mines have a natural life.

Mr Simon Clarke: There is no question but that Boulby has gone through a profound and difficult transition over the past year, with approximately 90 compulsory redundancies, but the owners would certainly want me to emphasise that they are still looking at a long-term future at Boulby. There may well be a transfer of staff between the two mines, but as far as I am aware, Boulby is not under any threat of closure or loss.

Mr Goodwill: My hon. Friend is absolutely right, but the scale of operation at Boulby has reduced because of the switch from potassium chloride, which requires a lot of processing on the site. Polyhalite is a material that can be used straight away without any additional processing, so it qualifies as an organic fertiliser and many producers of organic food can capitalise on it. Indeed, one of the great things about Boulby's mining polyhalite is that we can now start to develop markets for it around the world as it becomes available. Otherwise, we would not have had a new fertiliser product that is available for field trials, developing countries and big agricultural economies around the world, and that can be sourced from my constituency and exported to the world through that great facility, the deep-water port on the Tees.

10.26 am

Marion Fellows (Motherwell and Wishaw) (SNP): It is a pleasure to serve under your chairmanship, Mrs Moon, and I congratulate the hon. Member for Redcar (Anna Turley) on securing this important debate.

I want to speak about my constituency's experience of a steel plant closing down, because there are valuable lessons to be learned from it. The Ravenscraig integrated steel mill closed 26 years ago in 1992. That was before devolution, so there was no Scottish Government and all industrial matters were dealt with by the UK Government. In the mill's last two years, 4,400 people—mainly men—were laid off. Unemployment stood at 15% shortly after the closure and is still higher than average. The constituency still does not have the same number of highly paid and highly skilled jobs that it once had. The former MP for Motherwell and Wishaw, Frank Roy, did a lot of work to try to re-energise and rework the Ravenscraig site and led on a proposal to build a new town on it, but that has never come to pass because of recessionary pressures and local resistance.

Ravenscraig is slap bang in the middle of my constituency, between Motherwell and Wishaw town centres. The SNP Scottish Government made it a national priority

[*Marion Fellows*]

in 2007, and lots of money has been poured in from various funds and resources. Ravenscraig Ltd was set up as a joint venture between Tata, Scottish Enterprise and Wilson Bowden when the plant closed. The site now has a new college, a new regional sports centre, less than 1,000 new homes—although more are being built—a pub, a hotel and a building research centre. There are proposals for more new homes and for a civic park. In 26 years, we have not come a terribly long way, given that it is a 1,400 acre site, most of which is covered by roads that do not necessarily lead anywhere yet.

I do not want to sound too pessimistic—as the hon. Member for Middlesbrough South and East Cleveland (Mr Clarke) said, we need to have hope—but when something as big as the Ravenscraig integrated steel mill closes, that is a hammer blow to a community. Not much help, if any, was given by the then Conservative Government; I hope that the Redcar site does not suffer the same fate. North Lanarkshire Council—of which I was recently a member, as the hon. Member for Coatbridge, Chryston and Bellshill (Hugh Gaffney) still is—is spending quite a lot of money on trying to make the site viable.

As the council's new chief executive, Des Murray, says, it has always been recognised that there needs to be a redevelopment site at Ravenscraig, because it is of symbolic strategic significance, but we cannot live on symbols. The hon. Member for Redcar talked about Redcar as an iconic site, as was Ravenscraig, but people cannot live on such sites. People do not get jobs just because sites are iconic. There needs to be real and continuous development.

I do not want to paint too gloomy a picture, because there are improvements. The new Ravenscraig regional sports centre has hosted international and national events to great success, and the new houses there are lovely. The site building is now creeping forward, and in April there was another planning application put in for a more modified, and probably more likely to be built, new area in Ravenscraig, which now includes industrial and retail centres as well as two primary schools and development of the civic park. This is all good news, but I have to warn people in Redcar that it takes a long time and does not necessarily lead to the kind of jobs that have been lost.

Alex Cunningham: The hon. Lady is giving us a good illustration of why we need big, fast decisions and investment now. I am sure she will agree that Redcar cannot wait 20 years for the Tees valley to secure the good, well-paid jobs that we need. We do not want service jobs; we want good, well-paid jobs like we have had in the past—that needs decisions now.

Marion Fellows: The hon. Gentleman is absolutely right. I do not have a solution; I can only lay out what has happened at the Ravenscraig site. People have been doing their best, but the recession in 2007 really bit into developments there. When things get delayed, they do not always come back again, which is a real worry for everyone.

I give credit to North Lanarkshire Council, as I always do when it does things right, for continuing to work on the site and for trying to get more investment into it, but I fear that, with Brexit apparently here, this

is going to be an ever-growing challenge to local agencies and authorities. Motherwell and Wishaw were iconic not just for Ravenscraig; there were always steelworks in my constituency. The fact that the Scottish Government managed to save what is now Liberty Steel—the DL works—and, in a neighbouring constituency, Clydebridge, is testament to the work that they have done and are trying to do.

We need steel. When I was first elected to Parliament, the all-party parliamentary group on steel and metal related industries was the very first one that I joined. I fought hard to save the steel industry in my constituency, and that was achieved. Ravenscraig does not make steel—it simply rolls plate—but it is still there. That is thanks to the work of the Scottish Government, who were determined to save that site and as many jobs as possible—not only the workers, but, more importantly, the apprentices who were working on the site at the time. It will be interesting to hear whether the Minister can give the same commitment to the industry in England and Wales. There are no longer steelworks in Redcar, but we need these iconic industries at our backs if we are to move forward as a group of countries.

I pay tribute to the hon. Member for Middlesbrough South and East Cleveland for saying that everyone has to work together, which I think everyone realises. It is not a party political issue when something like this happens, but things do move ahead on party political lines. We have to be cognisant of that fact, and people have to keep putting pressure on the Government to make decisions and to treat the area favourably, even if it is not recognised as a really good area for their party.

I go back to 1992, when very little was done by the central Government to support Ravenscraig and the workers who lost their jobs. I moved into the area shortly afterwards, and all I could hear was tales of when the steelworks used to be open and how Motherwell and Wishaw were such thriving, wonderful places. It took a long time for the towns to recover. They still have not recovered totally, because the jobs that people do now are completely different. I think that is what is found in Redcar, too.

Anna Turley: Regarding the hon. Lady's experience, does she sense that there was a loss of skills and a loss of the workforce in any way? My big concern is that the longer this delay goes on, the more people will move away from Redcar to look for work elsewhere, and we will lose our highest-skilled and best workforce.

Marion Fellows: The hon. Member for Stockton North (Alex Cunningham) has already said that Scots people go all over the world looking for work. Yes, there were people who left and people who retrained. There was a very good deal in those days for the steelworkers who were made redundant; they were given, I think, two or three years' training, which allowed many to go to college or university and completely retrain. In fact, my predecessor retrained and then became an MP, which was not necessarily what he retrained for, and he moved away—part-time, anyway—down here to work.

It really is important that all parties look at what happened after Ravenscraig shut, because that is comparable and it should be used as a template, in some regards to complement what is still going on there, but in others to

look at this and say, “We mustn’t allow that to happen. We mustn’t allow things to stall and nothing to happen for long periods.”

10.36 am

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): It is a pleasure to serve under your chairpersonship, Mrs Moon. I congratulate my hon. Friend the Member for Redcar (Anna Turley) on securing this important debate. She is a champion not just for her constituents, but for steel communities across our country, and her passion for her local area shone through her speech.

It is clear that, out of crisis, there is an opportunity that must be seized. The news over three years ago that the Redcar blast furnace would be finally turned off was a terrible blow to all of us from steel communities. The closure of SSI marked the time when our country’s steel crisis first made headlines, as steel manufacturing ended in a region that had shaped the industry for 150 years. Despite emerging in the wake of the devastation of such huge job losses, the local master plan represents the best of regeneration. It unites the region around a plan that is ambitious for the communities and businesses of south Tees, and aims to create 20,000 jobs.

As the recent BBC series “The Mighty Redcar” highlighted so well, Redcar is a brilliant town. However, the investment needed to make the plan succeed is enormous. As my hon. Friend the Member for Redcar laid out, there are huge complexities in securing land and delivering plans. There is a simple truth here: in the last two years, the Government have not been shy of announcing funds and special schemes, or of sprinkling ministerial visits to the site, but the words are not yet matched by delivery of anything like the funds needed. As has been said, much of the funding announced is for the most basic security and remediation work. The Government have a legal duty to keep the site safe, so much of the vaunted £118 million in last year’s Budget is to be used to comply with their legal duty to fund the site and to protect the public from industrial hazards.

The money for specific investment schemes is welcome, but it is far too little. Much more finance is required to complete the most basic infrastructure and land assembly works, let alone create an essential and inspiring mixed-use site at Redcar. As my hon. Friend the Member for Redcar said, companies were seriously looking to invest, but now have cold feet because of the Government’s failure to promise the real funds needed for the site.

Public funding has the power to unlock private investment, but it needs to be at a level that gives confidence to investors that the Government stand behind the scheme. Will the Minister use the opportunity he has this morning to outline specifically what further funding the Government will allocate to ensure the efficient and effective delivery of the master plan? Will he also confirm that there will be a commitment to the additional powers suggested by my hon. Friends who have spoken so eloquently today, which could help bring the delays to an end? Will he give clarity on the very serious issues surrounding the airport, as raised by my hon. Friend the Member for Stockton North (Alex Cunningham)?

Examples such as this of essential schemes being delayed by this Government’s failure to commit highlight why Labour’s infrastructure plans are so important.

Success with schemes of this complexity and size is not won cheaply. We must invest to get the outcome that Redcar, the Tees valley and the whole country need. The next Labour Government will have communities such as Redcar at the heart of their programme, and I know that as our infrastructure plans are developed in detail, Teesside will not be forgotten.

I want to make something very clear. The closure of SSI was a consequence of a Government with no plan for steel—a Government who stood by as a great industry teetered on the brink and, in the case of Redcar, closed for the last time. This is an important point, because no doubt we are about to hear from the Minister—although I hesitate to put words in his mouth—about millions of pounds committed for Redcar and the site, special economic zones, and the work that the Government are doing. We should remember this: SSI Redcar collapsed because there was no policy to support British steelmaking properly, on energy costs, on taxation or on investment.

The tragedy is that we have seen very few steps forward in the last three years. Energy costs for British steelmakers are still 50% more than for European competitors, and calls for a fairer business rates system for large producers have been met with silence in Whitehall. Crucially, we still have no steel sector deal for our industry to bring together comprehensive action.

Mr Goodwill: Will the hon. Lady give way?

Gill Furniss: I am sorry; we must get on.

We have waited more than a year since steel companies set out what was needed, but we are yet to see action from this Government. Without that and wider industrial regeneration, there is little safety for other steel towns, and there is not the environment that will deliver success for south Tees.

This summer, Labour launched the Build it in Britain campaign, committing a Labour Government to using the capacity and expertise of Britain’s industries to fulfil far more of the country’s infrastructure needs. A Labour Government would have prevented the collapse of SSI Redcar, stepping in where this Tory Government were unwilling to save jobs and expertise to support the economy.

There will be a future for the south Tees site; I am sure of that. With great Labour women such as my hon. Friend the Member for Redcar and council leader Sue Jeffrey fighting for their area, I am confident there can be huge success.

I have to say that I found the remarks by the right hon. Member for Scarborough and Whitby (Mr Goodwill) about the former MP for Redcar, the late Marjorie Mowlam, very distasteful. [*Interruption.*] You referred to Mo Mowlam.

Anna Turley: The remarks were directed at my predecessor, Vera Baird, but my hon. Friend makes an important point, and I totally agree that the remarks were disrespectful; Vera Baird did her best in extremely difficult circumstances. I come back to the point that unlike the Conservative Government, the Labour Government saved the steelworks, which were reopened.

Gill Furniss: I thank my hon. Friend for that intervention.

[Gill Furniss]

To conclude, the Government must properly back this fantastic opportunity, not just for Redcar's sake, but for our future economy. If they cannot deliver the ambitious plan that the South Tees Development Corporation master plan lays out, a Labour Government will.

10.44 am

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Richard Harrington): It is customary in Westminster Hall debates to say what a privilege it is to appear in front of the Chair. In your case, Mrs Moon, that is absolutely true. I am greatly honoured to do so.

Gill Furniss: Charmer!

Richard Harrington: Just currying favour with the Chair—but it is actually genuinely true. One of the most interesting days I have had in this job was spent visiting Mrs Moon and her constituency.

I thank the hon. Member for Redcar (Anna Turley) for securing the debate. These are very important topical points and I congratulate her on the consistency of her representations on this project. The whole area is very lucky to have the MPs that it does—the hon. Lady, my hon. Friend the Member for Middlesbrough South and East Cleveland (Mr Clarke) and the other MPs who have spoken today. It is also lucky to have the Mayor, Ben Houchen.

There is a bit of an undertone of “who said what where”. That is not for me to go into, but I make a plea to all parties, including those not in the room, that these matters are much better dealt with on a consensual, cross-party basis. If anybody feels that I and my office can help in that, I am very pleased to offer that help.

Anna Turley: I concur with the Minister's comments and I reassure him that the reason for calling today's debate is to try to move on to the substantive issues of the site. I welcome the positive, constructive tone that we have struck today, because I think that is the only way forward.

Richard Harrington: I thank the hon. Lady for that intervention.

I have visited the site, although not recently—I was 17 at the time. I was brought up in Leeds and went on a school trip to visit the Neddy—the National Economic Development Council—in Newcastle, the steel site and the Wilton ICI chemical works nearby. I have never forgotten the scale of it.

I whizzed past the site in my current job, when speaking at a steel conference just next to it in the constituency of the hon. Member for Redcar. A lot of Members of Parliament have trooped up there, as have a lot of Ministers. There has been talk of hollow words, but it is much better that there is a general awareness throughout the Government. The Mayor and other parties involved with the development corporation are regular visitors to the Treasury and other parts of Government, and so they should be. It is part of our democratic system, and we all co-ordinate together; I

hope everyone realises that my office is very much part of that. I have certainly had nothing on my desk to do with this project that has been gratuitously turned down, ignored or not taken seriously.

I have been scrawling furiously during the debate to try to prepare to answer the points that have been made. I will try not to go over the history again, as it has been well covered by other contributors. Perhaps for the sake of *Hansard* it would be convenient if I did, but I think it has been said very well.

The South Tees Site Company is funded by a grant of £118 million, which was granted in the autumn Budget 2017 and includes £48.9 million for improving the site. The point was made—eloquently—that a lot of that money had to be spent, but it is still taxpayers' money. It did have to be spent, and I hope that it is the first of very much more to come in the future.

There has been talk of different projects and implications that they have been turned down by the Government. My personal experience of doing this job is that I have spoken expensively—I mean extensively—to Liberty Steel. In its case, both those words might be true! I have spoken to it to get a project, which is still very much in outline. It has not been rejected. There has been nothing put in front of us.

It might have been the hon. Member for Redcar, or another speaker, who said that this project is going to Scotland. That is not the case. I am in regular talks with the company and I have been to its offices. I have met the chairman and other officials, several times, with our own experts, to try to get the project to a state where it can be looked at as a serious proposal. This is not a criticism, but it is not yet at that stage. I hope it will be. We meet regularly, and the company knows that the door is open.

As far as INEOS is concerned, its decision was taken for commercial reasons. As has been mentioned, I think it was more of a question of not wanting a brownfield site and a start from scratch, rather than anything to do with this site, the Government saying no or anything like that.

Alex Cunningham: I think the Minister will agree that the major impediment in our way—which, if resolved, could sweep away all that doubt—is the issue of land ownership and the associated legal agreements. When is that going to be resolved?

Richard Harrington: All in good time. I cannot give the hon. Gentleman a date now, but I will come to that shortly. I will make progress because I want to leave time for the hon. Member for Redcar to sum up.

The £14 million granted by the autumn Budget and the special economic area status for the site are both important. They came about because all those different Departments—including the Ministry of Housing, Communities and Local Government, and the Treasury—are working with South Tees Site Company, the development corporation and the combined authority. We have worked together on the proposals and will continue to do so. The 1,500 jobs quoted are a first step, but I know they are nothing compared to the number of jobs that were lost when SSI went into liquidation and struggled from crisis to crisis.

It is very easy to blame one Government and not the other or to say that the Government could have intervened by putting in a load of money to keep things going, but I have seen the consequences of that. I have seen places in the valleys in Wales where hundreds of millions—if not billions—of pounds were spent on keeping businesses open, and I saw a failed industrial policy in the north of England, where I was brought up. That does not mean that Government do not take part in industry—we are spending more money on research and development than ever before.

I really believe that the industrial strategy, in partnership with businesses, is the future. The reason why there is not a steel sector deal—as the shadow Minister, the hon. Member for Sheffield, Brightside and Hillsborough (Gill Furniss) mentioned—is that industry itself has not come up with its side of the proposals. I am working on this, meeting industry regularly, and am still hopeful, but that is work that must be done in partnership.

The Government responded immediately with support for the site when the closure took place, including a sum of £30 million that was ring-fenced for the statutory redundancy payments. The SSI taskforce, under the leadership of Amanda Skelton, took a leading role and deserves a lot of credit. The hon. Member for Redcar was a member of the taskforce and did a great job.

The clichés about people working together are predominantly true in this case; spats and disagreements come and go. I think it is fair to say that we cannot recreate what was there before—time has moved on. My right hon. Friend the Member for Scarborough and Whitby (Mr Goodwill) made the point about how steel has changed and certain commodity products cannot compete with much lower costs. Of the factors for the industry growing up there—iron ore, steel and water—only one remains. That does not mean that the site does not have a fantastic future—I really think it does. I am delighted that the hon. Member for Redcar quoted Lord Heseltine and former Chancellor George Osborne in different parts of her speech.

The Scottish National party spokesperson, the hon. Member for Motherwell, made a very—

Marion Fellows: For Motherwell and Wishaw.

Richard Harrington: I was abbreviating—my apologies to the half of the hon. Lady's constituency that I did not mention. The hon. Member for Motherwell and Wishaw (Marion Fellows) made some good points about apprenticeships, and I am very pleased about the way that apprenticeships in steel are going. I was pleased that all the apprentices at Redcar were found alternative jobs and positions. The experiences of Ravenscraig and Consett were fed into the creation of the solution, with the development corporation and so on. That does not compensate for what happened, but it shows that lessons have been learned.

The master plan is excellent, and proposals for additional funding will be carefully considered. They have to meet public funding guidelines, which I know all hon. Members will accept. The Government's current position is therefore to commit resources in a number of areas. I accept the shadow Minister's view that some of that is just hot air and announcements, but that is the way that public sector financing works; there is a principle and then there has to be a business case. I make no apology for

that—that is the way it has to work. Business cases are not there to be stopped; they are there to be taken on board.

I really am running short of time—that is my own fault for giving too many compliments to most of the other speakers, which I should not have done—so I will hurry up. The subject of the airport, which was raised very eloquently, is not one that I have really concentrated on. Maybe I should have, but I have not. May I suggest a meeting with the hon. Members who are interested in the airport issue, rather than just giving a vague answer today?

We very much believe in the concept of a local solution, and the Government are very open to specific suggestions from private companies or from the development corporation. I hope we see through all the smoke about individuals—who should be in this or that job, or who said this or that—and come to the collective solution that we all want.

The debate has given me the chance to canter over matters. We must remember that the site is the UK's largest regeneration opportunity, and if the UK is to develop in terms of its industrial strategy, which we hope it will and fully intend it to do, that will be there. The site has received much publicity thanks to the efforts of hon. Members present, the Mayor and everybody else involved in the development corporation. We know what the challenges are in the special economic area in the Tees valley. Even people who did not watch the documentary on television—I was very disappointed about the lack of a starring role for the hon. Member for Redcar; had I been in charge of casting I would have altered that—will know that these things take a lot of time. Decontamination has to happen first, before a deal with the banks, which I am sure will come about—these are very complex matters. It is not as if the banks are a single entity; there are three of them, with very different views.

The Government are determined to see the site redeveloped in an exciting way in the end, so that it is a flagship for our future industrial strategy and an example for the next industrial revolution as it was for the first.

10.57 am

Anna Turley: I appreciate the Minister's response, which was thoughtful and considered, giving us a real sense of positivity. I am glad that he took the trip that he did when he was 17. Everyone who knows our area well knows that it is never forgotten. It is one of the most fantastic places in the country, and the sense of pride, opportunity and passion in our town and area will carry us through this situation and enable us to rebuild.

I thank all colleagues who participated in the debate. We have heard a fantastic range of views and experiences from the past, as well as important challenges and questions from this side of the Chamber. I also thank my colleagues on the Government Benches. As has been said many times, we will make a success of the site—bringing jobs, investment and opportunities for the people we represent—only if we work together constructively. I sought to secure the debate this week in particular because I was, frankly, disappointed at the nature of the Budget debate and the level to which it degenerated. I am pleased about the positive and constructive discussion that we have had today.

[Anna Turley]

It is vital that MPs have the opportunity to represent their constituents and to ask these questions. We live in a democracy in which everyone in a public position is accountable for the decisions that they make. We all know that it will take time to regenerate the site, that the ownership issues are complex and that there are confidentiality issues at stake, but we have a fundamental duty to our constituents to raise these issues and to hold the Government to account. Anyone who knows me or my colleagues knows that we will be holding the Government's feet to the fire every single day that we are in this job, to get the best for our constituents.

Today's debate was held to make sure that the Government's long-term commitment is there and that warm words and positivity are backed up by money. That will be the bottom line in all this. I am very proud of the work being done locally, and of the positive and constructive relationship that I have with Ministers. I am grateful that the Minister's door is always open. We will continue to work together to champion businesses that seek to invest in our site and I am extremely positive about its future, which could unlock a new industrial renaissance in the Tees valley. The onus is on all of us to work together to drive that, and I thank everyone who has contributed to the debate to make that happen.

Question put and agreed to.

Resolved,

That this House has considered the future of the former steelworks site in Redcar constituency.

Universal Credit Roll-out: Nottingham

11 am

Alex Norris (Nottingham North) (Lab/Co-op): I beg to move,

That this House has considered the effect of the roll-out of universal credit in Nottingham.

The latest stage of the universal credit roll-out in my city took place about a month ago, which is why I sought this debate. One of the vagaries of this place is that we cannot always get the debates that we want at the time we want them, so I am pleased to be able to raise the subject at this important early stage of the roll-out.

Some claimants in the city were already on universal credit, but many will remain on legacy benefits for a while longer, until managed migration. For the past month, however, all new claimants in our city have had to claim universal credit. So far, so simple, but having seen how the roll-out has gone elsewhere and its impact in communities that are very similar to mine, my constituents and I are anxious, fearing that this will be anything but simple. We are anxious that it will mean delays, reductions in benefits, debt, rent arrears, visits to food banks and more poverty. My colleagues in Nottingham—I am glad to be joined by three of them—and I do not accept that for our community. I believe that the roll-out should be stopped.

I will talk about experiences in similar parts of the country to ours, and specific concerns that I hope the Minister can address. It seems incredible that universal credit was first announced eight years ago. The rationale was to replace the six working-age benefits. The aim was to simplify the benefits system, improve work incentives, reduce the potential for error and fraud, and mitigate poverty among low-income families. Those are broad principles that we share—I certainly do—but universal credit as it is today is not that system, and it is the most vulnerable people who are suffering and will continue to suffer as a result.

We are pleased to have campaigned for—and, in the Budget two weeks ago, secured—money back into universal credit. That is, however, only a small fraction of the £7 billion in social security cuts still to come by 2022-23, according to Institute for Fiscal Studies analysis. That will both make families worse off and be worse for the Government and the state of the public finances—a point I shall cover later.

Jim Shannon (Strangford) (DUP): I thank the hon. Gentleman for bringing this matter before the House. What he cites is not specific to Nottingham; it applies to other parts of the United Kingdom, including my constituency of Strangford. Does he agree that this “simple” scheme, which is easy for those who are computer-literate, is not so simple for many? More consideration must be given to those who are not able to claim correctly due to genuine misunderstanding and miscommunication, given that they can be penalised with sanctions if they cannot work through the system. The system simply does not work for the ordinary person.

Alex Norris: The hon. Gentleman is right that what I have to say about Nottingham is informed by the experience of other parts of the country, so it will be true for every community in the land. Yes, the system is supposed to

be simple—we want a simple system that promotes work—but there are lots of pitfalls, which people with the best of intentions are falling into. I completely share his view that such people ought to be supported.

In June, I was startled to read that the National Audit Office had found that universal credit might end up costing more than the existing system, that it cannot prove that it gets claimants into work, and that it is unlikely ever to deliver value for money. We should all look at that.

Mr Chris Leslie (Nottingham East) (Lab/Co-op): As my hon. Friend knows, the false economy of some of the new systems worries me. That is one of the reasons why I have always argued that advice services should be a statutory function. Citizens Advice states that for every £1 invested in advice services, we can save £10 from people falling out of the benefits system because of mistakes and so forth. Is not the worry about this particular form of the universal credit roll-out that it is leaving people confused and in a messy situation, without proper advice from the system to fall back on?

Alex Norris: I thank my hon. Friend—my neighbour—for his contribution. I absolutely agree with that. I am passionate about advice services. As he knows, in October last year I led a debate in Westminster Hall on advice services in our city. They do incredible work to help people find a way through that fog, but they are clearly under real pressure. Our council is also under extraordinary financial pressures, but has put more into the area, trying to support it when many other services are not being treated similarly. I am pleased it is doing that, but a real need is clearly building up. I will cover much of that.

It is important to understand the context of what has happened elsewhere. The Trussell Trust found that 12 months after roll-out, on average, food banks see a 52% increase in demand, compared with 13% in areas that have had universal credit for three months or less. The Children's Society has estimated that under the proposal for an earnings threshold, about 1 million children living in poverty will miss out on free school meals. That will almost entirely affect working families. Furthermore, under universal credit, £175 million for families with disabled children will be cut. Analysis by Contact suggests that because of the 50% cut to the child disability payment under universal credit, 100,000 families with disabled children will be worse off by more than £1,750 per year. Also, a report by Policy in Practice has indicated that 750,000 households on "disability benefits" will lose, on average, £76 per week.

Vernon Coaker (Gedling) (Lab): What my hon. Friend says is the reality. Whatever the Minister says, the reality for people in Nottingham or my constituency is that they lose lots of money. In many cases, they received x amount under one set of benefits, but lose significant sums of money when they move to universal credit. Instead of living in a parallel universe, the Minister should come to the real world.

Alex Norris: I share that view, and it saddens me. I have been a Labour party member for all my adult life, and I am proud to be a Labour party Member of Parliament. The meaning of "Labour" is work, so we believe that work is good for people. We want people to work, so when we hear of a welfare system that promotes

work but provides a safety net, we think, "Yes, that's good. Even better, it's going to be simple." What was and is never explained is the bit after the asterisk: "Also, it's going to be a vehicle for reducing the benefits bill"—even though there is no evidence to suggest that it will succeed. That is why we have a lot of the challenges and the chaos. The Library estimates that in February this year, nearly 13,000 people were not paid in full on time, and 7,500 people did not receive any payment at all.

Lilian Greenwood (Nottingham South) (Lab): Not only are people not paid on time, but many people have their claims rejected. They then have to go through the process of seeking mandatory reconsideration and sometimes an appeal. A large proportion of those appeals are successful, but in the meantime people have racked up debts, and in some cases even been evicted from their home. That has a significant impact on them, their families and their mental health. Is not that failure to maintain someone's benefits during an appeal a problem with the system that the Government should address?

Alex Norris: I completely agree. When claimants are successful on appeal or at tribunal, they get their payments backdated, and I sometimes read, "So that's all okay, then." It is not, because in the meantime that has put extraordinary pressure on people who are, by definition, vulnerable. That is not to mention the anxiety. I am grateful to colleagues for their contributions.

I have listed quite a few numbers; it is important to start with the context and what has happened elsewhere, which is what I think is coming to us. We have to remember, too, that behind every one of those statistics is a human being, a family and a life. We in this place have a real duty of care to ensure that we look after those people, and that the changes that come about from legislation from this place support them.

In my constituency, about 20,000 people either already receive universal credit or—the bigger chunk—are on the six legacy benefits and will move on to universal credit at some point. That is about one in four eligible adults. The issue is significant, so it is important for me to focus on it in my role. We hear the stories about what has happened; they show the devastation of lives and the injustice.

I have received support and information from local advice services; my hon. Friends the Members for Nottingham East (Mr Leslie), for Nottingham South (Lilian Greenwood) and for Gedling (Vernon Coaker) and I recently attended a meeting with Advice Nottingham. We were grateful to hear the direct experiences of those who give advice and those living in the benefits system. Beyond "Brexit", "hostile environment" must be the defining political term of the year. I contend that the term applies not just to the Home Office's immigration policies and Windrush, but to welfare. Having talked to those individuals, I felt that they were the victims of such an environment. Slightly beyond universal credit, my friends at Disability Direct in Nottingham say that at tribunal, they are successful between two thirds and 70% of the time. If those who appeal at tribunal are winning more than two out of three times, the system does not work.

I would like the Minister to consider a couple of practical issues that have been raised with me. The first is on digital support and access to online services.

[Alex Norris]

Nottingham City Council has very helpfully provided a list of public access computers to try to quell worries. Advice Nottingham says that it was assured by the Department for Work and Pensions that support would be available from work coaches at all jobcentres, and that any new universal credit claimant needing support would be able to get help from a jobcentre on demand. We have three jobcentres in Nottingham city: two in the city centre and one in Bulwell in my constituency. Those are obvious locations for a jobcentre, but we are a big city, so many people must travel more than half an hour by tram or bus to get to them. There is a real cost implication for vulnerable people, especially if multiple visits are needed. That needs consideration.

We are in the very early stages of universal credit, but I have already heard an example from Advice Nottingham of how it is not working in the constituency of my hon. Friend the Member for Nottingham South; I hope she does not mind my borrowing it. A client wanted to make a universal credit claim and had no digital support at home—no computer or smartphone. They travelled for 35 minutes, mainly by tram, to their nearest jobcentre, as they had been told to, at a cost of £3.50 for a day ticket. When they arrived, the work coach told them to visit their local advice agency, which was Clifton Advice Centre, where they would get help. No one at the jobcentre offered to help them complete their application or pointed them in the direction of the local library, where they could get digital support. Instead, they travelled back home and made an appointment to see a welfare benefits adviser, losing time, money and peace of mind in the process. The system is not working.

I have spent time with my local jobcentre staff, and I know them to be committed folks with the best of intentions who are making the best of a difficult situation, but they must have the right skills.

Lilian Greenwood: My hon. Friend makes an important point about people's access, even to make a claim. My constituent Errol Richards spent the whole of the last two weeks trying to make an initial claim, without success. He initially tried to register his claim at Jobcentre Plus, but his claim crashed before he could attempt to submit his identification documents, and there was no scanner available. He then made two lengthy visits to different libraries in Nottingham, but still could not submit the initial claim because the universal credit system crashed again. Should the Government have not addressed those problems and ensured that their IT systems were sufficiently resilient before trying to roll out universal credit to thousands of additional claimants?

Alex Norris: I am very sad to hear that contribution. Clearly, that individual is trying to do the right thing, and the system is not supporting them. That is not particular to Nottingham; it has happened throughout the roll-out process. It is not acceptable to impose universal credit on our community while knowing that these challenges would happen. Accessibility is a real issue. The one-size-fits-all approach of digital technology must be considered, because that poses a challenge in communities such as mine.

My advice to constituents on all big changes such as these is to engage and be proactive, and not to put letters in a drawer. When people come to see me at

surgeries, I wish, as all other hon. Members do, that I could have seen them two weeks earlier, or one letter left in a drawer earlier, because that would have helped. I was talking to a colleague last night while rehearsing some of my arguments. His constituency is further ahead in the roll-out, and he said that a constituent had tried to be proactive because, having heard about all the challenges, they did not want delayed payments. The person was on legacy benefits and did not need to transfer, but they transferred anyway, so their universal credit application was, in essence, a new claim. That unnecessarily kicked them off the old legacy benefits and into the new system, which meant that they would lose their transitional protection. Even when we try to help, the perverse incentives in the system mean that there is a risk that we do more harm than good.

Christmas is coming, and in Nottingham we have big retail and services sectors, which will mean that for many constituents and residents in the city, there will be a chance for extra hours. There is not enough awareness of, and support for people to understand, how changes in their income will affect their universal credit. The money comes into their bank, and they realise they are not getting what they had banked on, because those extra hours do not necessarily mean the extra income that they thought they would get. I have been contacted by the GMB trade union. I refer colleagues to the Register of Members' Financial Interests, because I have long history of campaigning with it. It has produced useful advice, because it fears that staff will not know about that. Across the system, we need people to understand that if they do more, they must factor that into the calculation; otherwise, they will get a nasty surprise.

I feel particularly strong about my final point. Many aspects of universal credit are exceptionally important, which is why we are having this debate. They get a lot of coverage, but the issue of joint claims and split payments does not. At the moment, when applying for universal credit, couples make a joint claim and a single benefit award goes to the household—either to one recipient or into a shared bank account. In the past, at least child tax credit could be expected to have gone to the woman or the mother. I was responsible for domestic abuse services in Nottingham for a number of years; that money would offer a way for a woman to leave an abusive situation, because it would allow them to pay for petrol, or a train or bus ticket, so that they could get out of that situation.

The single payment creates an opportunity for abusive partners to exert financial control over their spouse by withholding funds and making it difficult for them to access money to meet their and their children's needs, or to leave the situation. Refuge reports that one in five women and one in seven men experience that type of financial abuse. Survivors of domestic abuse can request that their payments be made separately as part of an alternative payment option, but the guidance given to work coaches is that split payments can be considered only where the claimant notifies the DWP of financial mismanagement, financial abuse or domestic abuse in the household. The work coach then makes a decision on whether to grant that split payment, but the other member of the household can request that the single payment be reinstated.

Eight-five per cent. of women surveyed by Women's Aid said that requesting separate payments would worsen the abuse at home. People live in a dangerous fantasy

land if they think that a woman will march down to the jobcentre, possibly with her abuser, and request that payments be split because at some point she might want to leave that abusive relationship. That is unnecessary and damaging, and it needs to be resolved straight away. The Scottish Parliament has already passed legislation to split payments by default; the implementation is yet to be finalised, but it is vital that the Government pay full attention to that and seek to replicate it as soon as possible.

We want a welfare system that promotes work, but protects people in tough times; however, we have made our safety net out of barbed wire. That is wrong. Advice services in Nottingham are doing their best to help; Nottingham City Council is doing its best; DWP staff will do their best to make it work. Fundamentally, the system does not work; it should not be imposed on my community until it does.

11.18 am

The Minister for Employment (Alok Sharma): It is an absolute pleasure to serve under your chairmanship, Mrs Moon. The hon. Member for Nottingham North (Alex Norris) gave us an interesting contribution, and we heard interventions from a number of colleagues. I will respond to those, but I start by putting into context where we are in terms of job figures.

I suspect we all agree that ultimately we want a welfare system that supports individuals, is fair to taxpayers and helps people into work. Yesterday, the Office for National Statistics published employment statistics that showed more people in work now than at any time. The rate of women in work is at a near record high. The employment rate for people with ethnic minority backgrounds is at a record high. Youth unemployment has halved since 2010. Since 2013, almost an extra 1 million people with disabilities have come into the workforce.

Some 3.3 million jobs have been created since 2010. There is always a discussion about what kind of jobs those are. Some people suggest that they are low-paid jobs that are not permanent, but that is not the case: 75% of the jobs created since 2010 are full time, permanent and in higher-level occupations that attract higher salaries—not my statistics, but those of the Office for National Statistics.

Mike Amesbury (Weaver Vale) (Lab): I thank the Minister for giving way—

Mrs Madeleine Moon (in the Chair): Order. I am afraid that in a half-hour debate, interventions from the Front Bench are not permitted.

Lilian Greenwood: I am sure we have all heard what the Minister has said. Of course we welcome the fact that more people are getting into work, but many of the cases that we deal with in our constituencies are of people who are on universal credit not because they are out of work, but because they are in work and simply not earning enough to support their families. Many of the ways in which universal credit works do not support people who are in work, so people who have a fixed pay date but get paid early one month because the date falls on a weekend or a bank holiday find that they get two pay sessions in their universal credit assessment period

and lose their universal credit altogether. Why is the Minister not addressing those concerns for people who are in work but not earning enough to be out of poverty?

Alok Sharma: I had just started to set out the case. Opposition Members have made a case, and I am responding to it.

I return to the point about the jobs that are being created. There is always a lot of noise about zero-hours contracts, and I am pleased that we as a Government have banned exclusivity in them, but in the economy right now, fewer than 3% of jobs are classed as zero-hours contracts and those individuals are working an average of 25 hours a week. The number of zero-hours contracts has come down this year.

I hope we are all pleased that wages are growing at the fastest rate in almost a decade. That is an incredibly positive development and I hope it will continue. I do not want to be churlish, but several hon. Members who were here in 2010 will remember that we were told by Opposition Members that 1 million jobs would be lost as a result of the Government's policies. That has not happened. We have a buoyant jobs market with more than 3 million jobs created since 2010. Our welfare reforms have played a big part in ensuring that we are helping people get into work.

When we talk about universal credit, we have to compare it with the legacy benefit system that it replaces. As constituency MPs, we know that the legacy benefit system is incredibly complicated, with six benefits delivered by three different Government agencies, effective tax rates of 90% for some people and cliff-edges that disincentivise people from taking on work beyond a certain number of hours. As a result, 1.4 million people were trapped in benefits for almost a decade. Hon. Members talk about the amount of money in the system, but under the legacy benefit system, £2.4 billion of benefits are not claimed. That will change under universal credit, which will benefit 700,000 households to the tune of an average of £285 a month.

When it comes to universal credit, we are providing that support. I know that the hon. Member for Nottingham North has visited his jobcentre and sat with jobcentre staff. I am pleased that he has praised their work. He will know, because he has sat in on those interviews—as I saw in his newsletter—and seen the interaction, that for the first time in the welfare system, we are ensuring that one-to-one support is provided to the individuals we are interacting with. As part of my role, I regularly go up and down the country visiting jobcentres. Invariably, I hear from jobcentre staff that they feel that this system allows them to do what they came into the system to do—provide that one-to-one support. I find that incredibly heartening.

As I said, the cliff-edges are gone and we have a smooth taper. Under universal credit, people are getting into work faster, staying in work longer and earning more. In terms of support in the system, we introduced an extra £1.5 billion of support earlier this year. I am disappointed that Opposition Members did not vote with us on that, because it meant that the seven-day waiting period was abolished; two weeks of run-on in housing benefit was made available, which does not have to be repaid; and people can now get 100% advances on day one, if that is what they need, to help with any

[Alok Sharma]

cash-flow issues. We can see that that is working, because 60% of people who are now coming on to universal credit are taking up advances. That is a result of the support that their work coaches are providing.

In last month's Budget, another £4.5 billion net was injected into universal credit. Work allowances are up by £1,000, which will benefit 2.4 million families up and down the country, particularly those on low incomes, to the tune of £630 a year. In terms of helping individuals, as we have ensured that there is a two-week run-on for those who are on housing benefit coming on to universal credit, we shall also ensure that there is a two-week run-on of out-of-work Department for Work and Pensions legacy benefits for those who come across to universal credit as part of the managed migration process. Again, that will help more than 1 million households throughout the country.

Lilian Greenwood: Many people will have welcomed the Chancellor's announcement that the universal credit work allowance was to be raised by £1,000, but it was raised for only some universal credit recipients. Admittedly, it increased for people with disabilities and parents with current responsibilities for children, but low-paid working couples whose children have left home or who do not have children were excluded. Poverty is poverty. Why was support provided for some families and some individuals but not others? Why did those working families not benefit from the £1,000 increase?

Alok Sharma: I would have more sympathy for the hon. Lady's argument if she had voted to support the Budget, which Opposition Members did not do. I feel strongly that although it is right that hon. Members on both sides of the House raise the issues they have with any system or policy of the Government, the point where money is being put into the system to support their constituents and mine is the point at which they have to follow through and support those policies.

The hon. Member for Nottingham North has engaged with his jobcentre by visiting and taking part in a Disability Confident event organised by it, but that is not the same for all hon. Members present. I would encourage every single hon. Member—[*Interruption.*] I did not allude to the hon. Member for Gedling (Vernon Coaker), but there are hon. Members who have raised issues in the debate who have not visited their jobcentres recently. I encourage all hon. Members to engage with their jobcentres.

Where hon. Members have individual issues, they should raise them directly with the jobcentre and they should feel free to write to me as the Minister responsible. Again, I do not wish to be churlish, but—if I may put it like this—there has not been a large amount of correspondence about universal credit from hon. Members representing Nottingham, but where there are issues, they should feel free to raise them.

In terms of preparation by the local jobcentre, I had an opportunity yesterday, ahead of the debate, to speak to the district lead for Nottingham who is responsible for the three jobcentres. There has been a huge amount of engagement: 350 stakeholders have been met and eight or nine stakeholder events have taken place, including meeting landlords. That is all part of ensuring that we deliver what we all want for our constituents—a system that works.

Whatever our political differences, one thing that we can unite on is that we want a system that delivers, particularly for the most vulnerable, which is precisely what universal credit is doing. We want a system that supports the most vulnerable, that is ultimately fair to taxpayers, and that helps people into work.

Question put and agreed to.

11.30 am

Sitting suspended.

M4 Upgrading: South Wales

[SIOBHAIN McDONAGH *in the Chair*]

2.30 pm

Stephen Crabb (Preseli Pembrokeshire) (Con): I beg to move,

That this House has considered financial support for the upgrading of the M4 in South Wales.

It is a pleasure to serve under your chairmanship for the first time, Ms McDonagh. I am pleased to see the Minister in his place. I appreciate that this subject is slightly off-topic for him, but in the absence of a Wales Office Minister or a Treasury Minister, we appreciate his presence. I ask that he feeds thoughts, remarks and insights from the debate to relevant colleagues.

I want to return to a subject that has been discussed many times over the years, in this place and the Welsh Assembly. It is a subject that every Welsh Secretary in the past 30 years and every First Minister of Wales during the devolution era has had to consider at some point. It is probably the largest and most controversial infrastructure project on the table in Wales; it is certainly the longest running. I am talking about the proposed upgrade of the M4 motorway around Newport to tackle severe congestion on a part of our road network that is vital for the whole south Wales transport corridor.

Most recently, the M4 project featured in last month's Budget statement, when the Chancellor stated that he was willing to consider increasing Welsh Government borrowing powers to support the delivery of a new M4 relief road. That decision should receive scrutiny in the House.

Overall competence for road improvements in Wales lies with the National Assembly in Cardiff, and the decision on whether to go ahead at all with the M4 proposal is for the Welsh Government and Assembly Members alone. However, given the ongoing discussions with Her Majesty's Treasury about the Welsh Government's financial powers in relation to the scheme, the announcement in the Budget, and the UK Government's overall responsibility for the health of the UK economy, it is right that our Parliament—especially Members from Wales—has an opportunity to comment on the matter. This is certainly a timely moment to do that.

Nick Thomas-Symonds (Torfaen) (Lab): I congratulate the right hon. Gentleman on securing the debate. He rightly mentioned the long history of this matter, but does he agree that, given that tolls are about to be taken away from the Severn bridge, it is imperative that a solution is found on the issue of the Brynglas tunnels?

Stephen Crabb: The hon. Gentleman makes a vital point, which I hope to make myself later. He is absolutely right. There is an urgency to this issue that certainly seizes the business community and that we in the House should all be aware of, too.

I am told that we are just weeks away from a binding vote on the scheme in the Senedd, with the Welsh Government due to announce their response to the public inquiry that ran from February last year to March this year. Members of this place have no reason to be neutral on the outcome of that vote. We are not disinterested bystanders. Every single current Labour and Conservative Member of Parliament from Wales

stood on a manifesto commitment to fix the M4 problem. My party's 2015 manifesto stated that a Conservative Government at Westminster

"will continue to work with the Welsh Government to deliver major improvements to the M4".

Our track record of willingness to work to give new financial powers to Wales demonstrates that we are indeed doing that. My party's Assembly election manifesto in 2016 contained a pledge to

"start work on an M4 Relief Road within 12 months of forming a government."

Welsh Labour's manifesto at that election stated:

"We will deliver a relief road for the M4",

and its general election manifesto just last year repeated that promise to deliver a

"new relief road for the M4".

Politicians from both major parties and at both ends of the M4 have campaigned for and made promises about the upgrade project. Furthermore, the UK Government's responsibility for the Prince of Wales bridge, which connects this section of the M4 to the wider UK motorway network, and our decision to remove the tolls on that bridge next month, which the hon. Gentleman rightly mentioned, mean it is important for the House to debate this matter.

Just so we are clear, we are not discussing a project of special interest to just one or two constituencies. Indeed, my constituency is about as far from Newport as Newport is from London. Even so, numerous businesses in my constituency rely on being able to get through the M4 bottleneck. It is hard enough for a business to stay competitive when it is on the geographic periphery and faces additional transport costs anyway without congestion problems undermining its position further.

Mansel Davies & Son, which is probably Wales's most important road haulage firm for the dairy industry and is the largest employer in north Pembrokeshire, runs 40 lorries each way through this section of the M4 every day. Every one of its drivers would be able to describe far better than I can the problems they face negotiating that section of the motorway. Such is the strategic importance of the M4 corridor, which links Wales to the rest of the UK, to Ireland via the ports of Fishguard and Pembroke Dock in west Wales, and, crucially, to the continental mainland, that this should be considered a project of true national significance. I am pleased that we have the opportunity to discuss it today.

The key issue is that this vital section of the M4, which is one of the most heavily used roads in Wales, is not fit for purpose. It does not meet modern motorway design standards, and the resulting congestion causes unreliable journey times. That has direct economic impacts on south Wales. The M4 between junctions 28 and 24 was originally designed as the Newport bypass, and design amendments in the 1960s included the first motorway tunnels to be built in the UK, which are now known as the Brynglas tunnels.

This section of the M4 has many lane drops and lane gains, resulting in some two-lane sections, and it has an intermittent hard shoulder and frequent junctions. It is often congested, especially during weekday peak periods, resulting in slow, stop-start conditions, with incidents frequently causing delays. It has been like that for many years, and the problems are getting worse.

[Stephen Crabb]

In the closing remarks to the public inquiry that ended in March this year, the Welsh Government's QC, on behalf of Welsh Ministers, called the traffic delays a "pressing problem demanding a solution".

Former Prime Minister David Cameron used even more graphic terms when he visited a haulage firm in south Wales in November 2013, saying congestion on this section of the M4 acts as a

"foot on the windpipe of the Welsh economy".

Strong words—but he only echoed the kinds of words that businesses right along the south Wales corridor use about the M4.

The managing director of a major south Wales haulage firm told me recently that this section of the M4 is becoming a "no-go area". He said:

"From 7.30 to 10 o'clock in the morning, and then from 4 o'clock to 6.30, it's like a car park."

He described how it often pays for his heavy goods vehicle drivers to park up at the motorway services for an hour or two to save their stipulated driving hours, so they are not used up crawling along in near-stationary traffic. That is not an efficient way of running a logistics operation. In an economy that increasingly demands just-in-time delivery, a key transport corridor that grinds to a halt twice a day is certainly bad for business.

Ahead of the debate, I received a helpful note from the Freight Transport Association, which backs the need for new investment to fix the M4 problem. It stated:

"The Welsh supply chain moves goods by road much more than other modes, and so maintaining targeted roads investment is vital to securing Wales' economic future."

It added that

"the M4 in South Wales forms part of the Trans-European Transport Network, which provides connections throughout Europe by road, rail, sea and air. The M4 plays a key strategic role in connecting South Wales with the rest of Europe...It is a key east-west route being the main gateway into South Wales...It is important therefore that development of the M4 around Newport is not viewed as a 'local' issue...The strategic importance of the M4 requires that it be viewed in the national context."

Yet the truth is that this vital route does not have a proper motorway right now. The section we are discussing would not be allowed to be built today, given that it does not meet modern design standards. CBI Wales director Ian Price said business have been "crying out" for a relief road for more than 10 years. He added:

"The M4 is responsible for two-thirds of our national GDP and a relief road is projected to return to the Welsh economy £2 for every £1 invested."

We could spend all day talking about the different ways in which businesses in Wales are affected by the problems with the M4, and why there is such a strong economic case for investing in a relief road, but I want to flag up one of Wales's special strengths. We are incredibly good at hosting major national and international events. It is really good for the whole of Wales that the capital city, Cardiff, is increasingly recognised as a fantastic city in which to host events such as the Champions League final, the rugby world cup, Ashes cricket tests and—depending on our taste—Ed Sheeran concerts. I would love to see the Commonwealth games come to Wales, too. We also want more of those events to spread along the south Wales corridor and involve Newport, Swansea and places further west.

Jessica Morden (Newport East) (Lab): Would the right hon. Gentleman also include the opening shortly of the new international convention centre at the Celtic Manor? That will hopefully invite lots of new events to our area.

Stephen Crabb: The hon. Lady makes an important point about the new convention centre. We have all seen it being built while driving along the M4, and we have been encouraged by how it has come on. It is a major new asset for business in south Wales, but if it is to achieve its potential, we need that traffic to flow much better.

David T. C. Davies (Monmouth) (Con): Can my right hon. Friend confirm that when that wonderful new convention centre opens, one of its clients might be the Conservative party? It could host one of its next conferences there. Would he welcome that? Perhaps we could invite the hon. Member for Newport East (Jessica Morden) along as well.

Stephen Crabb: Nothing would please me more than seeing the hon. Member for Newport East (Jessica Morden) formally open a Conservative party conference in south Wales. I have no particular influence over where Conservative party events are held, but the Minister is listening with wide open ears, and I am sure he will feed those views through to the party chairman.

When it comes to major events, however, everyone knows that our Achilles heel is our transport problems. Of course we welcome the UK Government's decision to scrap the tolls on the Prince of Wales bridge, which is estimated to save regular commuters up to £1,400 a year. We want that to attract new investment, jobs and tourism to Wales. The Welsh Government's report suggests that our action on that will boost the Welsh economy by £100 million. However, as the hon. Member for Torfaen (Nick Thomas-Symonds) said, modelling predicts an increase of up to 20% in traffic as a result of the tolls being removed. The congestion issues around the Prince of Wales bridge and Newport are already severe, and the increased traffic will create further problems, without there being additional infrastructure in place. As the Freight Transport Association says,

"This places greater emphasis on ensuring that the M4 upgrade is fit for purpose."

The UK Government have shown that they are committed to boosting the Welsh economy, helping commuters and businesses, and increasing investment. We need the Welsh Government and the Assembly to step up and deliver the M4 upgrade.

As many hon. Members will be aware, a solution has been on the table for more than 20 years. In March 1989, the then Secretary of State for Wales commissioned the south Wales area traffic survey of possible solutions. The subsequent 1990 report identified the need for substantial improvement to the M4. As a consequence, a proposal for a relief road around Newport, a new dual three-lane motorway to the south of Newport, which was later known as the new M4 project, was included in the Welsh trunk road forward programme in 1991. An M4 relief road preferred route was published in 1995 and amended in 1997.

There were further iterations of the relief road plan over the years once responsibility for the road was devolved to the Welsh Assembly, but essentially the plan has followed the original work done in the mid and

late '90s. A draft Welsh Government plan was published in September 2013 and was the subject of public consultation from September to December that year.

Five years on, we are still waiting for a decision by the Welsh Government. That brings us to the question of financial powers and the limits on Welsh Government capital borrowing, which was referenced in the Budget. I am aware of the argument that occurred immediately after the Budget between Welsh Ministers and UK Ministers about whether an extension of borrowing powers should be linked to the delivery of the M4 relief road. I have no interest in getting involved in that, other than to note that the use of the M4 upgrade as a justification for securing new powers from Westminster has been a long-running feature of the devolution debate.

Indeed, upgrading the M4 may have been used as an argument in the original referendum campaign for why an Assembly was needed in the first place. It was certainly used as an argument in the debate in 2013 about full law-making and financial powers that led to the Silk Commission, in which the First Minister said:

"We literally could not do things. We could not improve the M4 without borrowing powers—it will not happen."

The 2013 deal between the Welsh Government and the UK Government was to give the Welsh Government early access to those original borrowing powers precisely so that the M4 project could get going.

The project is now being used as an argument for securing even more borrowing powers. I can understand the need to extend the capital borrowing limits, given that the projected costs of the M4 upgrade are now higher, but part of me is starting to question whether some are using the project as a fig leaf to enable agreement on more powers and debt for the Welsh Government, without there being any serious intention of getting the M4 fixed. Given the passage of time, I can understand the considerable scepticism in some circles about the project. I hear the phrase, "It will never be built", quite a lot around Cardiff.

Guto Bebb (Aberconwy) (Con): My right hon. Friend is making an important speech about the importance of the M4 to the south Wales economy, and his point about the Welsh Government is well taken. Is the A55 in north Wales not also an example of an issue on which promises have been made consistently? It has been promised for years that two roundabouts in my constituency, which are on a recognised European expressway, will be dealt with, but we are still waiting. Are the same excuses not being used in north Wales as in south Wales?

Stephen Crabb: I agree with my hon. Friend. The A55 project is overdue, as is the M4 project, and I will go on to make the same point about the dualling of the A40 in my constituency. There is a shopping list of projects that need to happen for the Welsh economy's benefit.

I recognise that big infrastructure projects are challenging, costly and controversial, that they require difficult trade-offs with other priorities, and that important environmental and conservation issues have to be taken into account, but they are still essential for improving the productivity and economic wellbeing of our nation. Two things are vital for any nation that wants to throw off the shackles of poverty: investment in skills and investment in high-quality infrastructure to boost economic performance.

I am fed up of seeing Wales languishing towards the bottom of all UK economic league tables, and of the fact that parts of Wales are known for being poorer today than parts of the former Communist bloc. That does not have to be our future, but changing it requires making choices and taking action. Spraying grants around to attract trophy projects to Wales, or to prop up certain companies that enjoy particularly good insider relations with the Welsh Government, does not amount to an economic strategy, and is no substitute for choosing to take difficult decisions about investing in long-term infrastructure assets.

As we all know, the truth is that the M4 relief road should have been built by now and we should not be here today talking about this. It is almost 30 years since the late Peter Walker, then Conservative Secretary of State for Wales, commissioned that original south Wales area traffic survey to look at solutions for the M4. It is a full quarter of a century since a public consultation was launched on possible solutions. It is 23 years since another Secretary of State for Wales, William Hague, announced his preferred route. It is five years since former Prime Minister David Cameron and former Deputy Prime Minister Nick Clegg went to Cardiff to announce new financial powers for the Welsh Government to enable the M4 upgrade to happen. Everyone knows that it should have been done by now, and that we should look at other key projects, such as the A55 upgrade, mentioned a few moments ago, and the dualling of the A40 between St Clears and Fishguard. Those are important infrastructure projects too, but they are stuck in the queue because of the lack of progress on the M4.

When I was an Under-Secretary of State at the Wales Office—I think it was in 2013—I was asked about the M4 upgrade. William Hague, who was Foreign Secretary at the time, was sat next to me on the Front Bench. After I had taken the question, he leant across to me and said, "Are we still talking about that? It was an issue when I was Secretary of State." It would be a huge shame if in 20 years, when Carwyn Jones, the First Minister, is retired and in the House of Lords, a question was asked about the relief road around Newport, and Lord Jones of Bridgend leant across to whoever he was sat next to and said, "Are we still talking about that? I thought it had been dealt with during my time as First Minister." It would be such a shame if nothing was done and people were still talking about the need for an urgent solution in 20 years.

My friendly message to colleagues of all parties in the Assembly is that we recognise that this is their decision to take, but I urge them to be bold and make a decision that is right for future generations, so we are not still talking about this decades from now. If we are not going to get the relief road built, and if the outcome of the current process is that the collective decision of the Welsh Government and Assembly Members of all parties is that it is too difficult and too controversial, and that they are going to kick the decision even further down the road, they need to be honest about that and about the consequences of that decision. Someone will probably have to walk up to the Prince of Wales bridge and plant a sign that says, "Wales is closed to future new business for the time being."

2.50 pm

Jessica Morden (Newport East) (Lab): I apologise for needing to leave early, but I have to be in a Committee at 3.30 pm. I am really sorry that I will not be here for

[*Jessica Morden*]

the winding-up speeches. Other hon. Members from Wales are upstairs in a Delegated Legislation Committee at the moment, and I am sure they will come down when that is finished. Thank you for letting me contribute, Ms McDonagh.

I commend the right hon. Member for Preseli Pembrokeshire (Stephen Crabb) for securing this debate, not least because the issue is devolved to the Welsh Assembly, and therefore no hon. Member in this Chamber will have a vote on or a direct say over it. If we respect devolution—and I do—we must respect the fact that the Assembly and the Welsh Government will make the decision on relieving congestion on the M4. Although the UK Government grant borrowing powers, that borrowing will ultimately need to be repaid by taxpayers.

I have a close constituency interest in this issue. The right hon. Gentleman rightly spoke up for businesses in Preseli and for wider Welsh interests—it is clear that the whole of south Wales has an interest in this issue, and the solutions found in Cardiff to the well-documented and horrendous traffic issues will directly affect Newport and Severnside.

As all hon. Members will agree, the M4 around Newport is a route of strategic importance and critical to the Welsh economy, but it is also an absolute nightmare for many of my constituents and businesses to navigate. If there are serious incidents—and there are, frequently—they bring our part of south Wales to a halt, causing misery for people trying to get to and from work, and resulting in a big cost to business. I have constituents, family members and friends, as well as colleagues working in my office, who commute, so I understand the cost all too well.

The M4 motorway between Magor and Castleton does not meet modern motorway design standards, yet it carries a greater volume of traffic than it was designed for. Some sections of the motorway—particularly the Brynglas tunnels and junction 29 Castleton—regularly approach near-peak capacity. That does not just cost time and money, but has a big impact on air quality.

These long-standing, continuing problems need a solution that delivers an integrated and sustainable transport system in the long term. We have been discussing solutions for 30 years. The most recent public inquiry was held up because the Department for Transport changed the way it calculated traffic forecasts. We have had a public inquiry, and we are now waiting for Government officials to finish analysing the report. Everyone has had the chance to have their say about whether this project, alongside the south Wales metro, is a long-term sustainable solution. Bodies such as the CBI, the Institute of Directors, the South Wales chamber of commerce, the haulage industry and many more have made their views clear.

My constituents, businesses and campaign groups have also set out their positions. CALM—the Campaign Against the Levels Motorway—has argued against the M4 proposals on the grounds of cost, damage to the unique environment and climate change. For businesses such as Roadchef, which runs outlets at services, the problem is that there will be no westbound access if the black route goes ahead, which means no services for nearly 50 miles. Groups such as the Gwent Wildlife Trust and the Royal Society for the Protection of Birds,

which have reserves in my constituency, describe the proposal as massively damaging for the unique wildlife and landscape. They say it is totally unsuitable and uneconomical, and that the route will destroy an irreplaceable and precious area of the Gwent levels forever.

The option outlined in the Welsh Government's proposal is not easy and is costly. It will affect communities such as Magor, which have been blighted for many years, and run across sites of special scientific interest, but I recognise that alternative routes would bring even more traffic close to communities in the city of Newport.

The public inquiry has gathered all that evidence, and the inspector's report is with Ministers. The Welsh Government have committed that the report will be open to scrutiny, debate and a vote by AMs before the final decision is made. It will then be up to those elected to the Welsh Assembly to make the decision. I do not envy them that, but that is the process. If the decision turns out to be no, alongside the no there will need to be a comprehensive plan, as demand for private and public transport is set to increase by at least 150% by 2030. We need something like the metro, but more of it and quickly. The south-east Wales metro can certainly help the process by providing the basis for modern, forward-looking and integrated public transport infrastructure for Gwent.

In my constituency, there has been a 103% increase in demand at the Severn Tunnel Junction railway station in the past decade. Services are overcrowded and unreliable, and commuters are frequently not able to board trains to work. Ministers can support the economy of south Wales and help my constituents get to work by addressing the issues they are actually responsible for and sorting out rail capacity on cross-border services. This issue is devolved, but cross-border services are in the Government's hands.

On the question of addressing growing demand for public and private transport in south Wales, my Newport East colleague in the Assembly, John Griffiths, has spoken of the need for better traffic management to accompany new, better public transport. My other Newport Labour colleague, Jayne Bryant, AM for Newport West, rightly said that inaction is not an option and that doing nothing would be hugely costly for residents, businesses and commuters. They are both right.

People who regularly use the M4, and people who do not, want politicians to make an informed decision with all the facts at their disposal. I do not envy Assembly Members that decision, but I know they will make it with integrity after careful consideration.

2.56 pm

David T. C. Davies (Monmouth) (Con): I commend my right hon. Friend the Member for Preseli Pembrokeshire (Stephen Crabb) and the hon. Member for Newport East (Jessica Morden) for the way they put their points across.

No less a figure than the late Rhodri Morgan, former First Minister of Wales, described the M4 as the great infrastructure project in Wales of the 20th century. He recognised that the M4 is not just a matter of local convenience for people living in and around Newport; it also has a huge impact on the whole Welsh economy. Those of us from the Newport area know what it has

done for that area. We have seen the development of Severnside, and my right hon. Friend mentioned the major sporting and musical events that now take place in Cardiff. I very much hope that the convention centre will host the Conservative conference sometime soon—I am told that it is the largest conference, and the one that generates the most income locally, so I am sure the whole of Newport would welcome it. We want to see that happen. We have also seen the development of the haulage and warehousing industry along the M4, particularly in the Severnside area.

The M4 has wider implications as it is one of the European Union's critical routes. Although it is not labelled as such, it is part of the E30, which stretches all the way from Cork to Omsk, so even the European Union recognises its importance. As a great fan of the European states—it is important that we trade with all of them—I very much hope that, if they are going to tie us up in red tape, they insist that we maintain that critical piece of infrastructure.

We all know that there are many problems with the M4—other hon. Members have highlighted them—and this is not just about the Brynglas tunnels area. There are massive and unnecessary delays westbound, towards the Coldra roundabout—unfortunately, right where the convention centre is—and eastbound, coming out of Cardiff towards Tredegar Park, which has an impact on residents of Cardiff.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I apologise for not being here at the start of the debate. I was in a Delegated Legislation Committee. The hon. Gentleman is making a very important point. Clearly, the road infrastructure around the east of Cardiff has a huge impact on my constituents. I consider myself an environmentalist. I want more investment in rail, cycling and pedestrian opportunities, but we have to recognise that there is an environmental consequence to all that traffic queuing into the east—particularly around Rover Way, Splott, Tremorfa and those eastern links. Does he agree that that can have a serious impact on air quality?

David T. C. Davies: Absolutely, I do agree. I am also an environmentalist who recognises that to protect the environment we have to generate the funds, and to generate funds we have to have a thriving economy. That is why, generally speaking, the western European and wealthier nations have a better environmental record than some of the poorer nations in the rest of Europe. I very much agree with the hon. Gentleman's point.

I am concerned not just about the increase in traffic that we will see as a result of the Conservative Government's welcome decision to end the tolls on the Severn bridge—we will see the benefits of that only if this road is upgraded—but about the possibility of a major problem happening in the Brynglas tunnels, which would effectively shut the M4 and close off one of Wales' major pieces of infrastructure. We need to have that alternative because the day will come when major work will have to be carried out in the Brynglas tunnels, and if there is no M4 relief road there when that happens the result could be absolutely devastating for the whole economy.

I very much hope that the Government in Wales get on with this. They have been given the powers and the money to do it. If they decide to go ahead I hope they

will learn a few lessons from what has been going on slightly to the north where we have seen, I am afraid to say, a practice of Ministers turning up to be photographed in hard hats and high-vis vests for the dualling of the heads of the valleys road—a very welcome project—but not wanting to meet with residents who have been negatively affected by the work that has taken place.

Obviously, whenever a major piece of road infrastructure is built there will be inconveniences for local residents. It is important that those are recognised and dealt with by the responsible Ministers. I think we have agreed, on all sides, that there is a real problem here and there is a solution on the table. The only solution, I believe, is the black route. We have had experts poring over all the alternatives and we have had various people coming up with all sorts of schemes, involving trams and Lord knows what, but the reality is that there is only one scheme that will do it.

My understanding is that there are three candidates waiting to take over from the First Minister. Of those three, only one has given a 100% commitment to building this route. I hope that the Minister will do everything possible to ensure that the Welsh Government have all the power and money they need to build that road, and encourage them to do so as quickly as possible, given the welcome decision his Department has made about the tolls.

I urge my friends opposite, if I may call them that, to do whatever they can to influence the result of their own election and make sure that the candidate who wins is the one who is going to build this road. I am absolutely convinced that after the next Welsh Assembly election we are going to end Labour party rule in Wales. We are going to get rid of one-party rule and we are going to have a Conservative First Minister, but the M4 relief road cannot wait for that. Since we are going to end up with a Labour First Minister, we might as well have one who is going to take one very useful decision.

Guto Bebb: I express my support as a north Wales MP. Quite often in Wales, we have the argument that all the funding goes down south, but the view in north Wales is that we will not see major updates to the A55 until this project is off the ground. The view in north Wales is that if we are going to have the improvements to the A55 that we need, we need to see the decision taken on the M4 relief road sooner rather than later.

David T. C. Davies: I thank my hon. Friend and simply add that road building is absolutely vital to the economy. I will certainly be supporting the A55.

Chris Davies (Brecon and Radnorshire) (Con): I thank my hon. Friend for giving a superb speech, as always. It would be a pity if mid-Wales were left out, if north Wales is being mentioned. One might wonder why an MP for mid-Wales is keen to see the M4 relief road happen. Last week, a haulier from mid-Wales described to me how, because of the Brynglas tunnels, most of his drivers now have to go up to Abergavenny, across to Merthyr Tydfil and down to Carmarthen, before going back on to the main road to get to west Wales. That is putting extra burden on other parts of Wales. This relief road is long overdue and I hope we will see it come forward very shortly.

David T. C. Davies: A good speech usually requires a good peroration and two of them have now been blown out of the water. I very much hope those drivers are using HGV sat navs, not ones designed for cars, so they are not responsible for driving straight through the centre of Abergavenny, which is causing a separate pollution problem.

What can I say? I have said it all. That road needs building as soon as possible and I very much hope that heads will be put together in all parts of the House—and on both sides of the River Severn—to sort this out as quickly as possible.

3.4 pm

Rachael Maskell (York Central) (Lab/Co-op): It is, as always, a pleasure to serve under your chairmanship, Ms McDonagh. I congratulate the right hon. Member for Preseli Pembrokeshire (Stephen Crabb) on opening today's debate and enabling a strong debate on the urgent need for transport investment in south Wales.

The right hon. Gentleman represents a beautiful peninsula in south Wales and a vital transport corridor, which I have no doubt will be in more demand following the UK's leaving the EU; but without the right infrastructure in place, it could result in a massive impact on his constituency and throughout the south Wales corridor. This level of detail has been ill-conceived by the Government. As 29 March next year is rapidly approaching, I urge the Minister to ensure that the risk analysis for all parts of his portfolio, including the impact in south Wales, is clearly attended to.

My fear is that the Prime Minister's plans will not contain anywhere near the level of detail needed, whenever we get to see them—maybe later today. I have also heard a real call for better connectivity to the whole of south Wales, and rightly so, not least from my hon. Friend the Member for Newport East (Jessica Morden). We know that the Welsh economy has been seriously challenged by poor connectivity, and that recent decisions made in Westminster—not in the Senedd—have had the worst impact, not least on rail.

We will never forget how in 2017, the day after Parliament rose for the summer recess, the Secretary of State snuck out the announcement that he would cancel the rail electrification project in south Wales. That would have been a game changer to all communities in the region and would have enabled faster, cleaner and more efficient rail services to the valleys and conurbations. However, in writing off south Wales he has singly made the most detrimental decision to stem the potential of the Welsh economy and sustain a transportation challenge in the region.

Stephen Doughty: My hon. Friend makes the point about the cancellation of electrification beyond Cardiff. Does she share my concern about the delays that there have been to the electrification as far as Cardiff? We have seen that put off again and again, with delay after delay. People are enduring really poor service on the Great Western main line, which has a huge impact on transport infrastructure.

Rachael Maskell: My hon. Friend makes a really important point. I feel great pain as he speaks about the delays in improving the railway network. The situation

is unsustainable. We should be investing in high-quality digital rail, which would build far more capacity across the network, as well as upgrading rail networks through electrification projects. That is why I believe that people in Wales will focus on this issue at the ballot box at the next election.

I want to put it on record today that Labour, in government, in Westminster, is fully committed to expansion of electrification and digital rail projects in south Wales. We believe in optimising every economic opportunity for the population of Wales. Further, our renationalisation programme for rail will be a serious game changer for all rail operations across Wales, including those in the M4 corridor, both in Wales and leading into England. That connectivity will move forward the economy in that part of the country.

I now turn to the wider transport brief. It was so important for me to start my contribution with a focus on rail because connectivity is not about segregated transport systems, with rail in one silo and roads in another, as the Government place them; it is about a joined-up approach to ensure that business, commuter and leisure passenger movements can be made with maximum ease and minimum expense. Labour has clearly set out how we will put a real emphasis on bringing about modal shift, helping to decongest our roads and create greater reliability. The sheer misery—which we have borne witness to in today's debate—of those using the strategic road network in Wales has been palpable. It will be important, therefore, for the Minister to tell us how he will provide short-term relief for that, as well as long-term solutions.

In an age when climate change is having a devastating impact on our planet, and when cars are logjammed on our roads, as highlighted by my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty), the current situation is polluting our atmosphere today and causing major air quality problems to residents along the M4 corridor. We know that that hits the most deprived communities the worst. We need an urgent resolve to get quick relief.

The current proposal for a 14-mile stretch of road around the south of Newport is expected to cost around £1.4 billion. Since 2016, the proposal, which has been on and off the table for the best part of 30 years, has been the subject of consultation, with the final decision to be made in the coming months. The public consultation closed this spring. The so-called black route has been the preferred route and the Welsh Government have stated that it is vital that the route resolves issues of capacity, safety and resilience along the M4 corridor in south-east Wales. As with any road project, clearly strong arguments will be made on all sides—and I have read them—both on the economic and transportation challenges and on the environmental case.

Some £50 million has already been offered to offset the carbon cost of the project. There is recognition that the project will have a serious environmental impact, as we have heard today. We would be disingenuous, therefore, if we did not all recognise that it is a difficult decision. On the one hand, we have pollution as a result of congestion, delays as a result of queues, and 100,000 vehicles using the route every single day. There is an urgent need for better transportation—better connectivity between sea, rail and active travel—and there is an opportunity to be grasped. For every £1 spent we will see £2 returned to

the economy. Perhaps the greatest prize will be the 300 accidents that the project prevents. We cannot wait until 2023 to see that number fall dramatically.

On the other hand, there is serious environmental concern. We are familiar with the evidence highlighting the impact of induced capacity, which draws vehicles on to major routes, causing them to become a source of major pollution and future congestion. The Welsh Labour Government have done more than any other to impact-assess their policies against that, through the Wellbeing of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. The figure that perhaps we should all focus on, here in Westminster and in the Senedd in Wales, is that the project is cited as becoming carbon-neutral by 2072. With nations that face catastrophic flood and drought, every decision we take must also seek to enhance our climate and focus on the humanitarian consequences. I know that such concern will be at the forefront of the Welsh Government's thoughts as they conclude their deliberations.

3.11 pm

The Minister of State, Department for Transport (Jesse Norman): It is a pleasure to serve under your chairmanship, Ms McDonagh. I congratulate my right hon. Friend the Member for Preseli Pembrokeshire (Stephen Crabb) on securing this debate on financial support for upgrading the M4 in south Wales. Given today's news, I think everyone in this Chamber shares my view that we should salute the integrity and quality of the Clerk of the House of Commons, but we should no less salute my right hon. Friend's ingenuity in managing to get this debate past the Clerks and into the Westminster Hall Chamber so that we can discuss it.

As my right hon. Friend will know, upgrading the M4 around Newport is the responsibility of the Welsh Government, so I am sure that he and other colleagues around the Chamber will understand my extreme care and circumspection in addressing this issue. It has to be said, and he has said, that upgrading the M4 has been identified by businesses and commuters as a priority for many years. Business organisations have made clear that uncertainty around the project is affecting business across south Wales and, as my hon. Friend the Member for Brecon and Radnorshire (Chris Davies) mentioned, mid-Wales.

My right hon. Friend the Member for Preseli Pembrokeshire was instrumental, when he was Secretary of State for Wales, in steering the Wales Act 2014 through this House, providing the Welsh Government with capital borrowing powers to help to deliver improvements to Wales's infrastructure and the M4 in particular, given their potential to boost economic growth and ease congestion. The Welsh Government have requested an extension to their borrowing powers to fund the M4 improvements, and I am sure hon. Members across the Chamber—we have been a little unclear in some respects about the degree of support from Opposition Members; perhaps they would like to clarify that—will therefore welcome the Chancellor's announcement at Budget that there will be a review of the Welsh Government's capital borrowing powers to support the delivery of a proposed relief road.

The review will consider whether the borrowing cap should be increased by up to £300 million to support this vital project. The UK Government have thus provided

the Welsh Government with the levers that they have told us they need to deliver a new motorway. If the Welsh Government wish to deliver that motorway, now is the time for them to do so.

At Budget, the Chancellor also announced that from 2020 to 2025, £28.8 billion will be invested in England's road infrastructure via the national roads fund, of which £25.3 billion will be spent via the second road investment strategy, RIS2, the rest being invested into large local major road schemes and the newly conceived major road network. This represents a pivotal moment for the future of roads in England, allowing the UK Government to continue to develop a long-term vision for those roads. Part of that vision, of course, must be working with the Welsh Government to identify where our priorities meet, join and can best be collectively exploited. The border between Wales and England, as I know full well from my constituency, is crossed by a number of important road links, and both Governments will feel the need to ensure that their investment decisions in this area take account of the needs of road users on both sides of the border.

I will also discuss the abolition of the Severn tolls from 17 December. The Severn bridge and the Prince of Wales bridge are vital pieces of cross-border infrastructure, which Highways England manages for the benefit of both nations. More than 80,000 vehicles cross the bridges every day. The end of tolling on these bridges will support motorists, local residents and cross-border business across Wales and the west of England. I think I am right in saying that the Welsh Government supported that decision, and I welcome their support.

The decision will help to transform the economy in the region, putting over £1,400 a year back into the pockets of families and delivering a boost to the economies of south Wales and south-west England. It will also alleviate congestion on the bridges. Road users will no longer have to stop to pay the tolls, which can cause queues during busy periods.

However, I do recognise that there are concerns that the removal of tolls will cause an increase in traffic at the crossings and on other roads in the area, as more people will be able to afford to cross the border in both directions to seek job and trade opportunities. I want to reassure right hon. and hon. Members that our analysis shows that the bridges have sufficient capacity to cope with the traffic growth forecast, but if there is a knock-on effect on the M4 at Newport, it can only strengthen the case for a relief road, especially since the Welsh Government have supported the decision to end the tolling. We will also continue to work with the Welsh Government to manage the impact of the abolition of the tolls on the road networks on both sides of the border.

Technical analysis by Highways England, working with other highways authorities and local business organisations, suggests that the initial impact on traffic conditions away from the crossing will be limited. There are a number of congestion hotspots near the crossing, and to some extent the problem there may be exacerbated. As part of the autumn 2016 statement, an additional £220 million to tackle pinch points on the network was announced, of which the south-west has been allocated £32.1 million for this roads period, from 2015 to 2020, but the Government are also looking at the investment needs of the south-west as part of RIS2.

[Jesse Norman]

Picking up on some of the themes mentioned today, I must say that there is a need for clarification: if it is true that people in political parties either side of the border wish to support this relief road, then now is the moment for them to make that position public and clear, without equivocation, bearing in mind all the other considerations that have been mentioned in the debate. On the basis of the discussion we have had, I look forward to the Welsh Government's forthcoming debate on improving the M4, and to hearing how they will deliver the improvements that the people and businesses of Wales seek.

3.17 pm

Stephen Crabb: I do not intend to take the full 43 minutes remaining in this debate to sum up. I thank all right hon. and hon. Members who have participated. I offer my thanks and appreciation again to the Labour Front-Bench spokesperson and the Minister for their interest in this debate. I particularly thank the Minister for the pragmatic and co-operative approach that I know he takes in his dealings with the Welsh Government, and recognise the way that the wider Department works with the Welsh Government.

This has been a useful debate. We have recognised that the key decision on whether to go ahead with the M4 upgrade is for Welsh Assembly Members and the Welsh Government alone, but we also recognise the key role that the UK Government play in terms of the request for further financial borrowing powers, on which the Chancellor of the Exchequer and the UK Government will have to take a decision.

In response to the point made by the Labour Front-Bench spokesperson about electrification, I have commented on that issue in another place. On the question of public transport, the truth is that we need the M4 upgrade and better public transport across south Wales; it is not an either/or. The people and businesses in Newport need public transport alternatives, but that strategic transport corridor, which, as my hon. Friend the Member for Monmouth (David T. C. Davies) said, links the west coast of Ireland with eastern Europe, deserves a decent motorway that meets modern standards. It does not have that at the moment, and that is creating problems for the Welsh economy.

We are at a moment that requires a difficult and challenging decision from the Welsh Government, but my hope is that they will make the right decision in the interest of future generations of Welsh people.

Question put and agreed to.

Resolved,

That this House has considered financial support for the upgrading of the M4 in South Wales.

3.19 pm

Sitting suspended.

Hinkley Point

[MR PHILIP HOLLOBONE *in the Chair*]

4 pm

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): I beg to move,

That this House has considered the future cost of Hinkley Point.

I am delighted to serve under your chairmanship, Mr Hollobone.

To start with, may I praise the Minister for coming down to Hinkley Point with the Secretary of State and having an excellent visit, which went down extremely well at C station? This afternoon, I am delighted to celebrate the progress of Britain's first nuclear power station in a whole generation. Hinkley C is absolutely smack in the middle of my constituency and it is important to the local economy. Indeed, the importance of its development cannot be overestimated. It is a huge project that has already cost—I say this so that people are aware—billions of pounds.

The subject of my debate—the future cost of Hinkley Point—has raised eyebrows, including, I think, those of the Minister. I want to make it clear that the investment will pay substantial dividends for decades to come. Hon. Members should need no reminding that every penny of the price to complete Hinkley is coming from the developers. The exact amount, believe it or not, is £20 billion, plus an additional £300,000; I do not know what the £300,000 is for, but there you are.

There is no public money at stake; the venture is financed with EDF's euros and a small portion of Chinese yuan. The risk takers are two of the world's biggest nuclear players. They have the backing of their own Governments, and they are big enough and robust enough to battle it out with the best—and, importantly, win. Hinkley is definitely a win-win construction for us in Bridgwater and West Somerset.

Hinkley is already providing thousands of new employment opportunities and sowing the seeds for world-class nuclear training at Bridgwater and Taunton College; the Minister was able to see a small part of that. Hinkley is attracting talent from all over Britain, but EDF is rightly proud of the fact that so many of its keen young recruits have been found within just a few miles of the site. Perhaps that is not surprising, as there has been a nuclear power station at Hinkley Point for 61 years. Entire generations have lived with, and worked in, Hinkley and learned to rely on it. Nuclear power commands enormous respect in my part of the world; it is in our blood. We know that it makes sense, now more than ever before.

The necessity of additional electricity generation in these islands is not in question. All our remaining coal-fired power stations, and there are only seven of them now, are carbon-guzzling—dare I say it? I mean this in the right way—museum pieces that we have agreed to commit to history over the next six years.

Most of the UK's electricity is produced by burning fossil fuels, mainly natural gas. That is both wasteful and costly, particularly to the environment. Gas-fired power stations amount to 40% of UK power generation. Wind and solar already provide roughly 28% of the

nation's needs; that is, of course, whenever the wind blows and the weather allows it. Our old fleet of nuclear power stations appear to be trailing, as they supply just 19%. That leaves a gap that can be filled only by importing power from France and the Netherlands via cables, which is hardly ideal when we stand on the brink of Brexit. In other words, we are not running on empty, but we need some quick fixes to make sure the lights stay on.

The golden advantage of nuclear power is that it produces electricity even if the sun does not shine and the wind stops blowing—surprise, surprise. It also involves an enormous number of people—in designing, building, maintaining and developing. Nuclear is a major national employer. It is a clean, green energy source. It is carbon-neutral. Nuclear is not cheap to develop, as it can take a decade to install, but it lasts for generations. Nothing in life is perfect, but in my humble opinion, nuclear power is pretty darn good.

What has happened in my constituency is nothing short of revolutionary, and I know that the constituency of my hon. Friend the Member for North Devon (Peter Heaton-Jones) has also experienced the benefits. Bridgwater used to be an avoidable town in many ways, with a lot of factories making things such as cellophane, with its unforgettable smell—I know you have never suffered it, Mr Hollobone, but I can assure you that it was interesting—as well as water pumps, believe it or not, and, yes, we were the home of bombs. The material for the famous bouncing bombs used by the RAF in the dam buster raids was actually made in Bridgwater.

Our town is used to getting its hands dirty and it has a highly skilled workforce, which, of course, my hon. Friend the Member for Wells (James Heapey) knows so well; he is my next-door neighbour. Then, however, we had severe recessions. The bomb factory closed and the cellophane plant shut; the little industries began to thin out and melt away. I invite all hon. Members here to come and see Hinkley C. It is quite remarkable. It is no exaggeration to say that the area is booming. The shops are busy; the big stores are arriving; there are new hotels and new housing; and there has been a restoration of pride and purpose.

Most importantly, there are jobs—lots of them. They are good, skilled, long-lasting jobs. There is also a fully functioning national college that has developed to teach new nuclear skills to the next generation. Much praise is due to the present and past principals of Bridgwater and Taunton College, who have helped to put in place a world-class education programme and forge links with major employers.

At last, there are proper careers in an industry that may have been around for 60 years, but has come back to Bridgwater with renewed vigour. That is the reality. That is what can happen; and it will continue to happen when the reactors are completed. When they are switched on, we will see the proof of what we have achieved.

At that point, Hinkley C will meet up to 7% of all of Britain's electricity needs. That may not sound much, but let us put it in perspective. Hinkley will be able to power 299 million light bulbs at once; it will also allow 58 million people to watch "Bake Off" at the same time, hopefully—boom, boom!—without a soggy bottom. *[Interruption.]* I know—sorry. If any teenagers arrive

home in the middle of the show, Hinkley will still be able to fill up the batteries of 640 million iPhones without any bother at all.

I am, as Members have probably gathered, a nuclear enthusiast. I have watched the progress of Hinkley throughout 17 long years in Parliament—they have been long—during which time EDF developed its plans, invested in detailed research, and patiently consulted and worked with local authorities, especially Sedgemoor District Council. EDF has had its critics, but nobody can fault its extraordinary patience over a very long period. It has waited and not been frustrated by Prime Ministers, past or present, who could or would not take the decision to go nuclear—and they all did that.

By the time the Government gave the green light, EDF had actually sunk £2 billion of its own money into the project, which might have been cancelled overnight. However, that is the way that companies such as EDF work; they are in it for the long term. Planning a new power station takes years; building it will take a decade.

Understandably, EDF is still learning lessons about how to build more efficiently. However, if one were to consider the progress already made on the site in less than three years, one might wonder if any additional improvements were possible. Believe it or not, EDF is using 3D modelling on a massive scale, to take the worry out of getting major engineering decisions spot-on. It has already sunk 235,000 steel bars into concrete, and the best way to ensure that those bars are in precisely the right place is by using 3D modelling. Also, major parts are prefabricated away from the site, to minimise disruption and increase productivity. As a result, EDF has done the digging 15% quicker than anywhere else, laid concrete 30% faster, and actually cut out mistakes, which is a remarkable achievement.

Peter Heaton-Jones (North Devon) (Con): My hon. Friend is making a very good speech. Hinkley Point is in his constituency, which neighbours mine, and I have also been to see the site. I can say just how impressive it is; everything that he has described is correct. Does he agree that Hinkley Point not only generates vital baseload electricity, but boosts the local economy in our constituencies and those of other hon. Friends who are here—and not only during this construction phase? When it is operational, that will continue. The boost to employment and the local economy in North Devon and throughout the area will be considerable.

Mr Liddell-Grainger: I thank my hon. Friend for that intervention. He has represented his constituents so well on so many issues, and we join on this. I am grateful to him for his thoughts. I am also very grateful to my hon. Friend the Member for Wells, who has supported Hinkley since he has been an MP. He has made an enormous contribution; indeed, both my colleagues have.

The point my hon. Friend the Member for North Devon makes is absolutely right. The opportunities for learning and gaining skills in our area are really quite phenomenal. Exmoor is perhaps not—dare I say it?—the richest area, but it has already benefited from Hinkley Point, even though it is a long way away. That means that we are able to spread out the goodies of Hinkley Point, not only to our neighbours, but to a much bigger area.

Albert Owen (Ynys Môn) (Lab) *rose*—

Mr Liddell-Grainger: I give way to the hon. Member for Wylfa.

Albert Owen: The hon. Member for Ynys Môn, actually, although Wylfa is in my constituency. I congratulate the hon. Gentleman on raising this issue. Regarding community benefits, he is right to talk about the construction jobs, the high skills, and the longevity of the project. However, the community has had an upheaval, and it is important that community benefits come from Government. It is good to see the right hon. Member for Sevenoaks (Sir Michael Fallon) here, because he made a statement in July 2013 about a mechanism to ensure that happens. Does the hon. Member for Bridgwater and West Somerset (Mr Liddell-Grainger) agree that the Government must restate that commitment, so that the host communities in his constituency and mine benefit for generations to come?

Mr Liddell-Grainger: The hon. Gentleman has made an enormous contribution to the nuclear debate, and I am grateful to him. He is absolutely correct. I am also delighted to see my right hon. Friend the Member for Sevenoaks (Sir Michael Fallon) in his place.

The hon. Member for Ynys Môn (Albert Owen) is quite right: at the end of the day, this is a team effort. No nuclear area is doing anything other than what all nuclear areas are trying to do, whether in Dungeness, Wylfa, Hartlepool, or anywhere else. We are trying to work together to spread the benefits of nuclear across the United Kingdom, and we have to get that right for the communities. Hinkley is the first of these projects, but that does not mean it will be the last: Sizewell is next, then Wylfa, and then we will go wherever we are going, whether that is Sellafield, or somewhere else. The Government have to make a decision, as I will discuss a little bit later, and I am sure that the Minister will pick up on this exchange. We need a clear understanding of the business rates over the long term, as there has to be some mechanism that brings the benefits of the nuclear production of electricity back to the local community.

Jim Shannon (Strangford) (DUP): Just two weeks ago, I had the opportunity to meet a representative of one of the power companies involved in this project, and he outlined the benefits to the economy in terms of jobs and the pound in your pocket. Does the hon. Gentleman agree that, as the hon. Member for Ynys Môn (Albert Owen) said, this is about involvement with the community? It is not a question of them and us. Rather, it is about how companies involve themselves with and endear themselves to communities, and encourage them. It is obvious from the presentation I saw that there will be great benefits to the local economy, but this is about community involvement and making sure that communities benefit directly.

Mr Liddell-Grainger: I thank the hon. Gentleman; I know this is not his area of expertise, but he is absolutely right. I reiterate that this is a team effort, and the whole of the United Kingdom must benefit from it. It is iniquitous that we are buying electricity from France and the Netherlands; we should be producing our own electricity for our own people. The jobs and skills are interchangeable: the skills that a person learns as a steel fixer, a concrete pourer, an electrician, or anything else

at Hinkley can enable them to go anywhere in the United Kingdom. Those people are trained to the highest level of engineering that we can achieve. The only thing that they cannot do is welding the nuclear flask, but they can do everything else, and that is important for our area.

James Heappey (Wells) (Con): It is a delight to contribute to my hon. Friend's debate, as he contributed to my debate on broadband yesterday. There is huge opportunity in Somerset for upskilling of individuals, and for businesses to upgrade their capabilities in order to contribute to the nuclear supply chain. It is important that those individuals and businesses are able to access the Hinkley programme, but does my hon. Friend agree that it is equally important that the industrial strategy for our region helps to deliver follow-on industries in Somerset and the south-west, so that those skills can be employed within our region, rather than seeing them move on with the nuclear caravan when the nuclear new build programme moves elsewhere in the United Kingdom?

Mr Liddell-Grainger: I thank my hon. Friend; he has been an incredible advocate for nuclear, and has worked tirelessly. This has not been easy, but my hon. Friend is absolutely right that we are creating something for the future, and it is going well. The Minister is fully aware of that, and of how much work has been done locally, both in North Devon and in Somerset.

For every nuclear job, we must create a non-nuclear one. My hon. Friend the Member for Wells (James Heappey) covers Burnham and Highbridge—it is in his constituency, and on the border of mine—and it is important that we create jobs in Morrisons distributions, Wiseman's milk, Yeo Valley dairy products and Mulberry handbags. The development at ROF Bridgwater in Puriton, the bomb factory, is 626 acres of industrial space, right on our joint border. We are making strides to ensure we keep that legacy going for generations to come. The Minister has been briefed on that, and is fully aware of it.

Some 95% of everything at Hinkley C is delivered right on time, which is an amazing statistic for an engineering job on this scale, and lends credibility to EDF's belief that the next power station built in the UK can be done 20% quicker and cheaper than Hinkley. That is a phenomenal statistic. The cost of Hinkley C, as far as the British Government are concerned and as we all know, is locked into something called a strike price: how much we are prepared to pay for every volt generated. The price was agreed several years ago, and some people argue that it is high, but Hinkley was never planned to be a one-off. EDF is already well advanced with plans for Sizewell C, on the Essex coast, and my hon. Friend the Member for Wells has been a great advocate for that as well. That development will be, in effect, Hinkley C mark 2. It will offer the same job opportunities, as well as economies of scale, supply, licensing, and design. Those savings are likely to be reflected in the price that EDF receives for the electricity produced, but the financial risk—and this is important—remains primarily EDF's, not ours. The experience of Hinkley C in Somerset continues to be critical for Britain's nuclear future.

Hinkley could not have proceeded without the intelligent local authority support of Sedgemoor District Council, which my hon. Friend the Member for Wells and I share.

It was the council that negotiated the generous compensation from EDF, and we know that that there will be a community financial benefit when the plant starts generating power, because the Government have already promised it. It would be helpful if the Minister could provide some pointers about that; I realise that it is early days, but a bit more flesh on the bones is always helpful from any quarter, and the council and many others—including my hon. Friend the Member for Wells and I—would be very interested to hear about it. It was Sedgemoor that insisted on sensible traffic management, and Sedgemoor that smoothed out the planning obstacles without, most importantly, surrendering proper oversight. As I hope my hon. Friend would agree, Sedgemoor has been an exemplary council.

James Heappey: I do.

Mr Liddell-Grainger: My hon. Friend assents from a sedentary position. Sedgemoor has significant experience, which all other English councils will wish to imitate when they deal with nuclear plants in the future, and I know that Sedgemoor would be happy to help. I just wish that Somerset County Council had the same enviable reputation. The unions at Hinkley tell me that there is now real concern about Somerset County Council's financial problems and the impact those could have on Hinkley C. I realise that this is not the Minister's direct responsibility, but it is important that he hears it. Somerset County Council is severely stretched; actually, it is almost broke. It is about to make savage cuts to essential public services, and it cannot afford—so it says—to finance new schools. There are also worries about threats to the learning and skills service. Hinkley's job opportunities are attracting families to settle locally, which means a housing boom for our area and our county, but it could mean a crisis if there are not enough schools or public services.

I know that the Government are being lobbied hard by Somerset County Council, and badgered by its leader, to create a new unitary authority. This is not the time or the place to analyse what has gone wrong, but Somerset County Council's attitude, I am afraid, is not helpful. It is already blaming Sedgemoor District Council for allowing too many new houses, which is absolute madness. As the Hinkley unions emphasise, where are the thousands of nuclear workers expected to live? That point has been made in this debate by hon. Members from all over the UK. I do not believe that incompetent financial management of the county should put any part of Hinkley's future at risk. That would be bad for the United Kingdom, as the economic rewards of Hinkley are far too important to us all.

I have just returned from China, which I visited with a group of colleagues from the all-party parliamentary group on nuclear energy. We were guests of EDF's Chinese partners, CGN. Its engineers have worked hand in hand with EDF to develop as a major nuclear player, as well as develop its own reactors, and we were taken to see the working EPR in Taishan. It is very good; it does the job that CGN set out for it to do. While we were away, we heard the sad news that Toshiba was abandoning its plans to build a new reactor at Moorside, near Sellafield. We know that Toshiba has been facing financial problems, but the potential loss of any new plant anywhere in the country is obviously serious.

The future cost of Hinkley, and all nuclear installations that follow, will be high. In the specialist field of energy production, quality, long life, efficiency and safety will not come cheap at the moment, but they will become cheaper. I thank the Minister for all his support.

4.19 pm

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Richard Harrington): It is, as always, a great pleasure to serve under your very competent chairmanship, Mr Hollobone, as I have many times. I hope that the rest of the debate will not be too stressful for you, given the spirit in which my hon. Friend the Member for Bridgwater and West Somerset (Mr Liddell-Grainger) intends it, for which I thank him. He has consistently and regularly demonstrated a keen interest in the Hinkley Point C project—formally, at the meetings we have had together, and on visits, and more or less every time I have a cup of tea or coffee in his immediate vicinity. I congratulate him on that.

I also congratulate the other hon. Members who contributed to the debate: my hon. Friend the Member for North Devon (Peter Heaton-Jones), the hon. Member for Ynys Môn (Albert Owen)—it took some time to learn that constituency, but I think I know it now—and, of course, the ubiquitous hon. Member for Strangford (Jim Shannon).

My hon. Friend the Member for Wells (James Heappey), who is also a regular contributor, taught me something that conditioned my view of Hinkley Point and other projects when I had just taken on the portfolio. He told me about his fear that the local content would comprise, basically, a sandwich van at the end of the site. I say that because my hon. Friend for Bridgwater and West Somerset talked about wet bottoms.

Mr Liddell-Grainger: Soggy bottoms.

Richard Harrington: I shall have to check *Hansard*. I appreciate your leniency, Mr Hollobone—I am sure Mr Speaker might have thought that was unparliamentary language, but it was not intended to be so.

The serious point I am making is that in all my dealings with EDF, and in all my visits down there and visits to suppliers, I am always keen to stress the point made by my hon. Friend the Member for Wells about the local supply chain, and the fact that these are real jobs. That reflects the points made about the national impact, which we always have to think about.

I am proud to be part of this Government and I asked for the nuclear portfolio—not because it was part of my general energy portfolio, but because I believe it is a brilliant industry in its own right for the future. It has everything that we look for in our industrial strategy: quite apart from the energy side, the industry creates good-quality, high-level employment, and that energy, if produced in bulk—obviously, not hundreds and hundreds of these, but more than one—can reduce the price by 30%. It also has supply chain and export, and is high tech. Before we even get on to the green point, the baseload point and all the other things that are so important, it has a lot going for it.

That is why I was pleased when the Secretary of State and I went to—I must warn you, Mr Hollobone, that this could be difficult for me to pronounce—Trawsfynydd,

[Richard Harrington]

in Snowdonia in north Wales, to launch our nuclear sector deal. The hon. Member for Ynys Môn nodded, so I am pleased I got the pronunciation right. It has a great future. We have mentioned different parts of the country today, including north Wales and Wylfa, which are important.

Indeed, the hon. Gentleman and I have discussed community benefits for Anglesey. Obviously, the community benefits for Hinkley Point are further down the line because the development is well under way. Those are important community benefits and it is right that those decisions should be made locally. Of course, that can lead the Government into lots of problems, because local communities do not have a consistent view, depending on area.

Albert Owen: The question I raised regarding the announcement made in 2013 by the then Department of Energy and Climate Change still stands, and I know that the communities of Bridgwater and of Anglesey are concerned that nothing much has happened since then. Will the Minister reiterate his commitment to that formula so that the Ministry of Housing, Communities and Local Government and the Welsh Government can work with his Department, the mechanism can be put in place and, when the stations are generating, the communities can get the full benefits?

Richard Harrington: I am happy to confirm that. I have already met with one chief executive and one lead councillor from the hon. Gentleman's area, but I would, of course, be delighted to discuss this with him at any time.

The main point today, which my hon. Friend the Member for Bridgwater and West Somerset expressed so eloquently, is how important the nuclear industry is as an industry in its own right to local economies and to the national economy. As far as I can see, EDF is doing an excellent job. There are many British and Northern Irish employees, some of whom I met down there, of different skill levels, and I was pleased to see the number of young girl apprentices, which is also part of our nuclear sector deal.

I am not at all complacent. I think the deal struck at Hinkley Point C was sensible from the taxpayer's point of view, as my hon. Friend mentioned, because it completely de-risked the taxpayer. We can do other interesting deals in the future for nuclear. At the moment, nuclear power is roughly 22% to 24% of the power output that we need. By 2030 to 2040, as the original power stations are decommissioned or reach the end of their life, that will drop with Hinkley to—again, these are very rough numbers—5% to 7%. There is a big gap.

Sir Michael Fallon (Sevenoaks) (Con): Does the Minister agree that the true value—that might have been a better title than “cost”—of the Hinkley project will not be known until we see some of the cost savings that will be realised at the second station that EDF has built, and indeed in the sequencing of stations that will be built after that?

Richard Harrington: My right hon. Friend makes an excellent point, with which I fully agree. On my first visit to Sellafield I was shown the original Calder Hall reactors that were opened in the '60s. The then Minister said that the electricity would be so cheap that it was not even worth metering it. We have moved away from that, but I believe that, in the long term, this will be low-cost power. As everyone knows, the up-front costs are significant. After that, the marginal costs are comparatively low. As long as there is a reasonable way to finance the up-front costs—which, as the technology becomes more modular and more commoditised, we will be able to estimate more accurately—I totally agree with my right hon. Friend's point.

I am pleased to respond to today's debate. I will not forget Hinkley Point C, which is one of the most significant visits I have ever made. It is calculated that 64% of the construction contracts there—it is a huge project—will go to UK companies, and that £4 billion will go into the regional economy over the lifetime of the project. We will not forget that; it is very important to us. I am extremely grateful to my hon. Friend the Member for Bridgwater and West Somerset for bringing the debate to the Chamber.

Question put and agreed to.

Shared Prosperity Fund: Wales

4.28 pm

Ian C. Lucas (Wrexham) (Lab): I beg to move,

That this House has considered Wales and the Shared Prosperity Fund.

It is a pleasure to see you in the Chair, Mr Hollobone. I welcome the new Minister from the Wales Office; I think this is his first official appearance at the Dispatch Box. He will find us a welcoming but challenging bunch in Wales. I am sure that we will have a good debate, and that his noble Parliamentary Private Secretary, the hon. Member for Montgomeryshire (Glyn Davies), will look after him just as well as he has looked after the Minister's many predecessors.

One of the extraordinary aspects of the Government's approach to Brexit is their failure to address some of the fundamental reasons for the leave vote before the act of leaving. Obviously there is a lot happening as we speak on that issue, but on major areas of policy—such as immigration policy—we still do not know what the Government propose for the post-Brexit world. A hugely important area that they are not speaking about is regional funding, which we will address today. I hope that this will be the beginning of a debate about changes to regional funding that takes into account the views of Members right across the United Kingdom and right across Wales—this is a very important subject in Wales.

It is true that Wales has been one of the major beneficiaries of EU structural funding. Between 2014 and 2020, west Wales and the valleys will have benefited from investment of more than £2 billion from the European Union.

Nick Thomas-Symonds (Torfaen) (Lab): I congratulate my hon. Friend on securing this important debate. My constituency in the valleys has benefited enormously from structural funding. Does he agree that one of the problems with UK priorities, and with the shared prosperity fund, is that areas that have benefited have no guarantee of benefiting to the same extent in the future?

Ian C. Lucas: Absolutely. Certain areas of Wales have benefited much more than others. East Wales received £406 million in investment between 2014 and 2020—a lot less than west Wales and the valleys. Investment is determined by rules set at EU level that govern the distribution of state aid and are intended to compensate for regional disparities.

Since the 1980s, one of the fundamental drivers of the UK national economy has been the inexorable rise of south-east England. The huge investment that it has received at the expense of the rest of the country has had a long-term negative effect on many of the areas that we represent. EU structural funds have gone some way towards compensating for its dominance, but have failed to check it altogether or to bring about a fairer long-term distribution of wealth and investment across the UK. If we are leaving the EU, we need that move to achieve a benefit for our constituents in the future. It is imperative that a system is put in place to benefit the regions of the UK that have been left behind by economic development.

It is unfortunate that notwithstanding the importance of the issue, the Government have given very little indication of how the UK regional prosperity fund will operate. I do not believe that they have even given a

commitment that the amount of money distributed to Wales will not fall. I have asked the Secretary of State for that assurance and for more detail on what the fund's rules will be, but I have had very little information from the Government. It is high time for it, because we are at a hugely important moment and lots of businesses and organisations in all our constituencies are interested in exactly what will happen. Will the Government please answer some of our questions?

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Does my hon. Friend share my concern that many regeneration projects in Merthyr Tydfil and Rhymney and across Wales simply would not have happened without EU structural funds? That makes it all the more important that we get some certainty about the prosperity fund. Wales needs to play a part in how the fund is managed.

Ian C. Lucas: Certainty is something that all our constituents and all the businesses in our constituencies crave, but it has been sadly lacking in the period since 2016, so I would like the Minister to provide some in his début today. First, can he assure us that Wales will not receive less in funding under the new UK regional prosperity fund than it does under EU structural funds? Secondly, and importantly, will the rules of the UK prosperity fund be set at UK level, with the same rules applying across the devolved nations and regions? Will there be any difference between rules in Scotland, in the regions of England, in Wales and in Northern Ireland, or will the rules apply in the same way as the current EU rules?

Wayne David (Caerphilly) (Lab): I think we all welcome the fact that a prosperity fund is to be created. Following on from my hon. Friend's argument, does he accept that the sensible and most effective thing would be for the Welsh section of the fund to be administered by the Welsh Government? That would ensure that the fund enhances the work that the Welsh Government have already conducted.

Ian C. Lucas: My hon. Friend must have read my speech on the quiet, because my next question is who will administer the fund—will it be administered by the UK Government or by the devolved bodies?

Luke Graham (Ochil and South Perthshire) (Con): The hon. Gentleman is making a very interesting speech, but does he not see the advantage of having the UK shared prosperity fund administered centrally, to ensure that it has the depth and breadth to fund the projects that are needed around the United Kingdom? For example, tidal power schemes may need more than the amount that would be allocated on a devolved nation basis. Secondly, does he not appreciate that as we leave the European Union, it is a good time for Members of this House to strengthen our own Union by advocating that projects be funded directly here in Westminster?

Ian C. Lucas: It is interesting, isn't it? The EU rules apply EU-wide, so there is a certain logic in a UK prosperity fund having UK rules that apply across a single market within the United Kingdom. I would not want a race to the bottom as a result of rules being applied differently in different countries of the

[*Ian C. Lucas*]

United Kingdom, so I understand the argument for applying a single set of rules so that we do not have state aid in one area being weighed against another—just as the same general EU rules have applied across the UK despite devolution.

This debate is an important one, but we have not had it yet. That was a big mistake, because we could have spent the past 18 months or two years discussing these hugely important issues. I would like that to start today, and I will be very interested to hear the contributions of colleagues.

Guto Bebb (Aberconwy) (Con): The hon. Gentleman is right to say that this is important. The issue is of concern to local authorities and further education colleges in north Wales, but does he agree that, as a result of the efforts to get the north Wales growth deal on board, it is at least being discussed by the relevant stakeholders there? It is therefore a very opportune moment to ensure that comments made in north Wales are listened to, both in Westminster and in Cardiff Bay.

Ian C. Lucas: The hon. Gentleman has read my speech, too—I was planning to go on to the north Wales growth deal. I am passionate about regional policy and devolving powers to the nations and regions, but the Government should be giving a lead. It is their responsibility to compensate for market failures with engineering investment to improve a part of our economy that the market on its own would leave behind.

There is agreement across the political spectrum that the present system has not worked as it should for the benefit of all the nations and regions of the UK. We need to reflect on the result of the referendum and ask why investment from the structural funds, for example, has not achieved as much as we would all have liked.

Stephen Kinnock (Aberavon) (Lab): My hon. Friend is making an excellent speech. Surely the best way to ensure the best possible outcomes for our programmes and projects is to decentralise and devolve, empowering local authorities, local stakeholders and the practitioners who will ultimately deliver the projects to design measures and outputs. The people on the ground know best what works and what does not.

Ian C. Lucas: That is my next paragraph, which I shall read. As someone who believes in devolved decision making, I believe that decisions relating to investment in Wrexham and north Wales should be made by people who are close to our local economy and community. Historically, the EU's structural funds system did not work well for my constituency of Wrexham.

Let me give one example. Wrexham Glyndwr University was established in 2008—the first time in our history that we had a university. That was a strategic moment for Wrexham and hugely important. As I said when I was a Minister within the Department for Business, Innovation and Skills, universities are at the centre of developing economies in the modern world. The establishment of Wrexham Glyndwr University was a really important period, but between 2008 and 2014 it received no structural funds at all. The Wales European Funding Office tells us that, in the same period, Swansea University received £89 million, the University of Glamorgan

£41 million, Cardiff University £29 million and Bangor University £47 million. There was a lack of investment from the source that was supposed to be supporting the development of the economy in the area that I represent. That was a missed opportunity and will have had a negative impact on the university that we are developing as part of the local economy.

That lack of investment is mirrored in funding for north-east Wales generally. Neath Port Talbot Council received over £89 million between 2007 and 2014, while Flintshire received £3 million. Incredibly, Wrexham received only £446,000. After Brexit, we will need a new system of funding and a fair allocation across Wales. As the hon. Member for Aberconwy (Guto Bebb) said, we have shown the way in north Wales: from the bottom up, local government, MPs, Assembly Members and universities have worked together to produce a growth bid for north Wales to remedy the failings that we believe exist within our local economy. We put forward that growth bid on behalf of the community that we represent; it is very much devised and put together by the local players.

I still get frustrated at having to go with a begging bowl either to the Treasury across the road or to Cardiff Bay to beg for investment. I want those decisions about investment and the power to raise money to be devolved to places such as north Wales, because I have lot of confidence in the north-east Wales economy. Despite the fact that we have not benefited from a lot of the funding that other parts of Wales have had, the economy in north-east Wales has developed during the period that I have been privileged to represent Wrexham. We need to address the defects in our local economy in transport and digital infrastructure. In the future, we will have an insight into our local economy to see where the defects are and to begin to address them.

Anna McMorrin (Cardiff North) (Lab): My hon. Friend is making an excellent speech. Do he and the Minister agree that we need to guard against reverse devolution? If we do leave the EU, we need to be guaranteed of those funds in Wales and across the UK. They must also be distributed by the Welsh Government, because they understand how our local communities work, and they can then further devolve such decisions to places such as Wrexham and local authorities across Wales.

Ian C. Lucas: Absolutely. I have already asked for an assurance that Wales should receive no less money. As I have just said, I do not want this decision made in Cardiff Bay or in the Treasury; I would like to see it made on a devolved basis. There needs to be more devolution. When I speak to my constituents in north Wales—my hon Friend knows the area well—I find that their perception is that we need to have more local decision making. The end of the restrictive and fixed rules that have previously existed could be an opportunity, as the Federation of Small Businesses in Wales has highlighted. It said:

“The removal of European boundaries also opens up geographical possibilities...Post-2020 there will be opportunities to refit the business support environment to modern economic boundaries, including...the emerging economic regions.”

I agree entirely with that. We need a structure that accords with the economic action plan of the Welsh Government, which is a very far-sighted document by the excellent Economy Minister, Ken Skates, who is

contributing massively to creating a growth-driven, inclusive economy in north Wales. We need to develop that and work within the confines of that economic action plan, working with the Welsh Government rather than sticking to the outmoded geographical model that we had previously, which was restricted by inappropriate local government boundaries. Certain local government areas attracted funding, while others did not. For example, the journey to north-west Wales from north-west England requires going through north-east Wales, which could not attract funding for projects in that area, so the transport system in north-east Wales has not really developed in the way needed to develop the local economy.

I certainly want an assurance from the Government that under any new system they will commit to no less investment for Wales. I also want the new First Minister, when we know who that will be, to commit to a new funding formula that means fairer funding right across Wales. I have spoken many times before about devolution in Wales, the fact that north Wales sometimes feels left behind, and the need to create new structures by working with local government, local businesses and institutions such as universities across Wales to develop an inclusive economy. We must carry forward that devolved system of addressing economic failings in particular areas of Wales.

This is an important debate. We need to grasp and grapple with it in the weeks, months and years ahead. I will be listening intently to the Minister's response, to try and get some flesh on the bones of what the prosperity fund will look like, and I will also be listening carefully to my Opposition colleagues to hear what they say on the matter. This is an overdue debate, but it is of enormous importance to our constituents.

Several hon. Members *rose—*

Mr Philip Hollobone (in the Chair): The debate may last until 5.30 pm. I am obliged to call Her Majesty's Opposition spokesman at no later than 5.12 pm, which gives us about 20 minutes of Back-Bench time. Five members are standing, so that means you each have four minutes. I first call David T.C. Davies.

4.48 pm

David T. C. Davies (Monmouth) (Con): Thank you very much for calling me to speak, Mr Hollobone.

I thank the hon. Member for Wrexham (Ian C. Lucas) for introducing the debate and add to his call for the Government to ensure that Wales continues to receive the same amount of money. We will certainly have that when we leave the European Union—we will have a lot more money to spend. I differ from him on one important point, though, because I think he was arguing for a system where we simply hand over money to the Welsh Government and allow them to get on with it. We know that at the moment the European Union has some control over how that money is spent in two ways: first, it sets the rules of the game on state aid or anything else and, secondly, it has the powers to investigate when money has been misspent. It is vital that we maintain some form of central control, and here I must be a little critical.

The Welsh Assembly Government have failed on numerous occasions properly to monitor how money that has been spent in grant funding has been used. We have seen some quite scandalous decisions taking place.

Some might be down to monumental incompetence; others, I fear, are due to out-and-out corruption. I will run through a couple of them and I challenge anyone to suggest that this sort of thing is right.

There is the Lisvane land deal. The Welsh Government had £20 million-worth of land—if it were good just for agriculture—that was sold at agricultural value to an organisation based in the Channel Islands. Within a matter of months, it received planning permission for housing, meaning that the Welsh taxpayer lost out on tens of millions of pounds.

There is the decision by Welsh Assembly Ministers to go into the film business, which began, as the auditor's report shows, with the decision to buy a premises down near Newport, in Wentloog. Approximately £40 million was spent making films, and the auditor's report says rather coyly that not much money has been recouped. About £4 million has come back. The rest of the films have either not been made or have not been seen by anyone. One of the excuses for its failure was that the Welsh Government had decided to get involved in another film studio elsewhere in south Wales. They handed over a couple of million pounds in the form of a grant, much of which appears to have been paid to the directors. There is a string of these decisions going on.

Wayne David: Will the hon. Gentleman give way?

David T. C. Davies: I will, but I am going to have my four minutes. I am coming to one of the more scandalous examples, but if the hon. Gentleman wants to intervene, he should feel free.

Wayne David: I recognise that the hon. Gentleman is using parliamentary privilege to the full here. Will he clarify how much of this is European money?

David T. C. Davies: I have not used parliamentary privilege to the full yet, but I might be about to. Some of the money certainly has been European money.

Wayne David: How much?

David T. C. Davies: I do not know the exact amount, because we are dealing with many millions of pounds here. What I do know is that if we are going to allow the Welsh Government to have a large amount of money to spend on giving out grants or putting it into infrastructure, we need to be absolutely certain that some central authority can monitor how that money is spent.

With all due respect, perhaps the hon. Member for Caerphilly (Wayne David) would like to cast his mind back to the disgraceful situation with Circuit of Wales, where £9 million was handed over to the director of a company—a director who had been making donations to the Labour party. Some of that money was then taken and given to another company, which that same director was also the director of. There was no proper tendering procedure. If anyone has any doubts about this, the whole thing is written up in the Welsh auditor's report. What we saw happening was that £1 million went over, in the form of an untendered amount of money, to a company that was owned by the person who had received the grant in the first place. There were no proper checks and balances. The same person was able to go and buy a motorcycle company based in Buckinghamshire.

Wayne David: On a point of order, Mr Hollobone. We have a whole list of incredible accusations here, which have no relevance whatever to the debate. That cannot be in order.

Mr Philip Hollobone (in the Chair): I would regard nothing that Mr Davies has said thus far as out of order, but I note Mr David's objections and I am listening closely to all contributions made by all Members. I draw Mr Davies's attention to the clock. He has just over a minute left.

David T. C. Davies: None of these is an accusation. They are all in the Auditor General's report, which only came about as a result of the information that I gave them, because nobody in the Welsh Assembly—neither Members nor Government—was particularly interested in the fact that millions of pounds of their money was being spent. The reason I sent the information off was that the directors of that company came into my office and told me that their project was being backed by BMW and General Electric. It was not, because I checked with them afterwards. Then the directors sent their lawyer, Jonathan Coad, to try to take legal action against me, Martin Shipton and Trinity Newspapers, for falsely alleging General Electric and BMW's involvement, but they did not realise that my tape recorder had accidentally been left on at the time and I had the whole thing on tape.

I say to hon. Members that the Welsh Assembly Government have failed over and over again. At least one civil servant's name comes up every single time, many of the people involved in the decisions are all known to each other, and a lot of them have links back to the Labour party. I have touched on only three or four projects, but we all know that there are various others—Kukd was another one, as well as Kancoat and Blurrt. One after another, projects have received large amounts of funding, often running into millions, from the Welsh Government, and no proper checks and balances have been pursued.

Mr Philip Hollobone (in the Chair): Order. I call Mr Ben Lake.

4.54 pm

Ben Lake (Ceredigion) (PC): Diolch, Mr Hollobone. It is a pleasure to serve under your chairmanship. I congratulate the hon. Member for Wrexham (Ian C. Lucas) on securing this important and much-needed debate. Those of us representing constituencies in Wales will be all too aware of the importance of regional and structural funding schemes, and consequently that the design of the new shared prosperity fund will largely determine the prospects for our communities for decades to come. It is essential, therefore, that the new fund serves the people and communities that we are elected to represent.

Almost four months have passed since the Secretary of State for Housing, Communities and Local Government confirmed in a written statement the UK Government's commitment to the UK shared prosperity fund. The days are getting shorter, the autumn Budget has passed and, if nothing else, Christmas will soon be upon us, yet we are still awaiting quite basic details about the new fund. What will the total quantum be? When, and how, will the funds be allocated? What activities will be eligible for support, and which bodies will oversee the decisions?

As has already been mentioned, at present west Wales and the valleys receive a significant amount of funding, as our low GDP per head qualifies us as a less developed region. Over the current cycle, Wales will receive approximately £2.7 billion from European structural funds. A majority of the Welsh population—63% to be precise—lives in this less developed region of west Wales and the valleys, where the funding goes a long way to sustaining the rural and underdeveloped economy.

While it is good that regional and structural funding programmes have been available to us, it is nevertheless a shame that our constituencies have continued to qualify for them. That is not surprising, of course, when we consider that, on the whole, UK economic development has typically focused attention and investment on urban centres, and priorities for rural areas have amounted to little more than improvement of existing connections between the countryside and the cities, so as to accelerate the trickle of prosperity from the economic engines and powerhouses to the rural periphery. The result is that the productivity of rural areas is consistently below the UK average, in stark and rather depressing contrast to that of larger towns and cities.

As the MP for Ceredigion, and as there are few signs of there being a change to UK economic strategy in the near future, I must stress that whatever the methodology used by the new shared prosperity fund, Wales must not be left financially worse off. If rumours are to be believed, and the shared prosperity fund is also to finance other responsibilities such as the old pillar two programmes of the common agricultural policy, for example, its budget will need to be proportionally larger so as not to constitute a real-terms cut.

Albert Owen (Ynys Môn) (Lab): The hon. Gentleman is making an important point. We should put it on the record that the funds should not be put through the Barnett formula, but should be protected at the current European level.

Ben Lake: I agree wholeheartedly with the hon. Gentleman. If the Barnett formula were applied to the shared prosperity fund, that would be nothing short of a disaster for our communities. We need to make sure that whatever the methodology, it is focused on the need of communities, rather than on simple population share.

I must labour the point: if the fund is to be used for other responsibilities, it cannot be reduced to a convenient tool for hard-pressed Departments to realise budget efficiencies via consolidation. The funding will be a lifeline for our communities, so it must provide Wales with no less, in real terms, than the total allocated by the EU and UK funding streams it replaces.

Furthermore, I believe the UK shared prosperity fund must operate on multi-annual financial allocations of at least seven years. Inconvenient though that may be for the Treasury's spending review cycles, it would allow recipient organisations and groups the time for proper planning and implementation of larger scale and transformative projects—the types of project needed seriously to ratchet up jobs, wages and living standards in constituencies such as Ceredigion. We cannot settle for mere tinkering around the edges. What is required is a programme that allows for substantial and prolonged investment, so that our areas are no longer less developed and eligible for such assistance.

As the hon. Member for Caerphilly (Wayne David) mentioned, in terms of the shared prosperity fund's administration, important aspects of economic development are devolved, so the Welsh portion of the new fund should be devolved to the Welsh Government, potentially, as the hon. Member for Ynys Môn (Albert Owen) just mentioned, as an additional, separate block grant from the Treasury, so that we may bypass the Barnett formula.

Time is against me, so I will conclude with a question to the Minister, who I welcome to his place in the Welsh Office. Will he guarantee that the UK shared prosperity fund will be, in real terms, at least equivalent to the funds that it is replacing, and that its budget will be proportionally increased if other EU—or, for that matter, UK—competencies are to be blended into the fund?

Mr Philip Hollobone (in the Chair): Order. I call Jo Stevens.

5 pm

Jo Stevens (Cardiff Central) (Lab): It is a pleasure to see you in the Chair, Mr Hollobone. I congratulate my hon. Friend the Member for Wrexham (Ian C. Lucas) on securing the debate. He has had far more luck in securing the debate than I have had in getting answers from the Secretary of State and his conveyor belt of Welsh Office Ministers to my 18 questions on the shared prosperity fund over the past 13 months.

Two years and five months on from the referendum, we know precisely three things about the fund. We know what it will be called; we know it will be run by the England-focused Ministry of Housing, Communities and Local Government; and we know that there will be a consultation at some point. That is it. I appreciate that the Minister is new to his position—I welcome him to it—but hopefully today he can give us more than the woefully superficial information we have had so far. The Government do not seem to appreciate that the fund will be replacing one of the biggest underwriters of investment in Wales.

The European regional development fund and the European social fund have alone provided £2.1 billion to Wales between 2014 and 2016, and inspired a further £1.1 billion in match funding. In 2016, when I spoke in the House about the importance of Cardiff University's Brain Research Imaging Centre in my constituency, I made the point that that had only been possible thanks to £4.5 million of ERDF funding. European Union funding is the lifeblood of the three universities in my constituency and that is why, every single week, researchers from those universities contact me with their concerns about the Government's failure to commit to underwriting funding after the end of Horizon 2020, which is already impacting on funding bids. They also tell me that the Government's proposed salary cap on EU citizens permitted to work on research in the UK after Brexit will decimate international research collaboration because that cap would be too high.

Universities are the largest group of direct ERDF recipients; around £240 million of ERDF money has been awarded to Welsh universities for the period 2014 to 2020, to strengthen regional economic success and improve social cohesion. They have also received over £50 million from the ESF, which is an investment in people with a particular focus on improving employment

and education opportunities. Those university-led ESF projects have promoted routes into higher education and supported graduate retention rates in economic growth areas that are so important to my city's economy, such as professional services, creative and digital industries, and life sciences. That funding does not fund only big infrastructure projects. Last week, I went to four primary schools in my constituency—Adamsdown, Albany, Marlborough and Springwood—and I noticed in every school a sign that said that the children had a carton of milk every day through the European Union school milk scheme. We know that the Conservative Government have never been fans of children's school milk, but can the Minister guarantee that those children will continue to receive their milk every day after 29 March 2019?

We know that we cannot rely on this Government for the green light to vital projects in Wales. The Swansea Bay tidal lagoon is one example, and electrification between Cardiff and Swansea is another. From a Welsh perspective, the shared prosperity fund will not be properly shared, will not deliver prosperity and will probably contain less funding for Wales than we receive as members of the European Union. That is why I hope we stay in the European Union.

5.3 pm

Stephen Kinnock (Aberavon) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I congratulate my hon. Friend the Member for Wrexham (Ian C. Lucas) on securing this important debate.

The 2017 Conservative manifesto promised to set up a new UK shared prosperity fund to replace EU funds, with the intention that the new fund will

“reduce inequalities between communities across our four nations” and will be

“cheap to administer, low in bureaucracy and targeted where it is needed most”,

so we know how to measure the promises that the Conservative Government are now making. Two and a half years later—not from the manifesto but from the referendum—we still do not know how much funding will be available, how it will be divided across the country, what activities will be eligible for support or who will take the decisions on how the money is spent. There is a huge fear that that will be not just a financial grab, but also a power grab, and that the Conservative Government will use this opportunity to reduce funding for areas that need it most and to claw back powers that sit naturally with the devolved Administrations.

That concern drove us to create the all-party parliamentary group on post-Brexit funding for nations, regions and local areas. In that spirit, we worked with the Industrial Communities Alliance and launched a national inquiry to help us understand the wide-ranging views on the key questions that I have highlighted. That involved inviting a large number of organisations to submit evidence to the inquiry about what they wanted from the shared prosperity fund. Respondents included local authorities, local enterprise partnerships, the TUC—including the Welsh TUC—mayoral combined authorities and devolved Administrations. Such was the huge interest and concern that we received submissions from over 80 different bodies across England, Scotland, Wales and Northern Ireland. Many hon. Members present here

[Stephen Kinnock]

are members of the APPG. The report will be published on Friday, but I will give a brief summary of the key recommendations.

There is an overwhelming consensus that the shared prosperity fund must not comprise a penny less than what the EU would have invested in Britain from 2020 to 2024. The Government must, above all, prioritise narrowing the differences in prosperity across the UK. In England, the funding should be allocated to local areas on the basis of a robust formula and up-to-date statistics. In Scotland, Wales and Northern Ireland the UK Government should respect the devolution settlement and any guidelines should therefore be kept at a strategic and broad level, and agreed with the devolved Administrations, who should keep responsibility for detailed design and delivery. Those findings all reflect my own concerns. The report has been signed off by all vice-chairs of the APPG, so it is a cross-party report; we shall send it to the relevant Secretaries of State and seek follow-up meetings.

Westminster must not use Brexit and the end of the EU's regional funding as an opportunity to short-change the poorest parts of the UK. The UK Government must not preside over a Westminster power grab, whereby devolved Administrations are denied the appropriate control over funds. The Government have promised their own consultation—I am sure the Minister will tell us more about that—which I understand will be launched before Christmas. It is very important that they take the recommendations in our report into account, particularly as they reflect the views of more than 80 organisations at the coalface of those issues. The design must not be dreamed up in Westminster or Whitehall bubbles, but driven by the practitioners—the people who really know what works, and what does not, in their communities.

5.7 pm

Albert Owen (Ynys Môn) (Lab): It is always a pleasure to serve under your chairmanship, Mr Hollobone. I welcome the Minister to his place and congratulate my hon. Friend the Member for Wrexham (Ian C. Lucas) on securing the debate. I am disappointed that the hon. Member for Monmouth (David T. C. Davies)—the Chair of the Welsh Affairs Committee—chose to talk about other things when the topic of the debate is so important for the future of Wales.

My constituency has been a major beneficiary of both European structural funds and the European regional development fund. In the 1980s, my constituency had twice the national average of unemployment—mass unemployment and mass depopulation, which is why it qualified with low GDP for European structural funds. Objective 1 has been a success in my area and it has helped repair communities through its social cohesion funds. It has also helped port communities with infrastructure—the main gateway between Wales and the rest of Europe—and helped the agricultural, food and farming sector.

As my hon. Friend the Member for Cardiff Central (Jo Stevens) said, the further education and higher education sectors have also been major beneficiaries. There have been real, tangible outcomes in my constituency, such as energy centres, food technology centres and job creation, and Wales and the valleys are benefiting from this.

However, we still need to reflect on how we are going forward, because my area is still a low area of gross value added—GVA—and that needs to change. That is why we need a further commitment from the Government for post-2020: that the circumstances will not change and that there will be real growth. Unemployment in my area is now below the national average, when in the 1980s it was double the national average. That is job creation helped by European structural funds—real people benefiting from real jobs in my area. That is why I am a big supporter.

Even today, we have great investment coming in. In 2015, we had a brand-new, state-of-the-art, innovative science park, which was part funded by the Welsh Government and attracted private investment, but it would not have been possible without the grant from the ERDF. In 2017, we got a business park at Llangefni, which now works closely with colleges and universities to ensure that we get top-quality jobs coming to my area. Again, that did not happen in the '80s, before the structural funds were put in place in the '90s. A tourist package worth £1.7 million will help the port of Holyhead, which was damaged by storm—again, some of that money comes from the European social fund. It is a good thing. Energy companies are investing in my area, such as Minesto from Sweden, and a not-for-profit organisation has been set up—an indigenous company in Wales—because of ERDF funding.

Ian C. Lucas: Does my hon. Friend agree that the determination of companies and institutions throughout north Wales to work together is a massive attraction to outside businesses to come to our area? We have shown that we work very effectively together and can plan the north Wales growth bid.

Albert Owen: Absolutely. That is the next point that I want to move on to. I am a strong supporter of devolution—I have fought for it in referendums, and I have seen its enhancement—but devolution is no good just going from Whitehall down the M4 to Cardiff Bay. It needs to go throughout the areas of Wales, including to north-west Wales and north Wales generally. Real devolution is about empowering people in their local communities. My hon. Friend is right: we have a structure in the north Wales growth bid. We have a board set up, with business and local authority representatives, and they have the ability to be a mechanism for distribution of the new growth fund in the future. I hope that the Minister will take that on board. I know that he is visiting my constituency in north Wales shortly, and he will hear about that.

I want to quote the remarks referred to by the hon. Member for Ceredigion (Ben Lake), in which the Secretary of State for Housing, Communities and Local Government stated:

“The UK Shared Prosperity Fund will tackle inequalities within communities by raising productivity, especially in parts of the UK whose economies are furthest behind... It will have simplified administrative arrangements aimed at targeting funding effectively; and... It will operate across the UK. The UK Government says it will respect the devolution settlements in Scotland, Wales and Northern Ireland, and will engage the devolved administrations”.

I want those words to be put into action. I want the new Minister to take that on board and to work with us, as Welsh Members, to ensure that areas such as mine continue to grow and will benefit from the shared

prosperity fund. I do not want to see this Government pull the rug from under the feet of the poor communities, education communities and farming communities that have benefited since 2000. Europe based its European structural funds on need, and that is what we need: to establish the needs of areas throughout the UK, including periphery areas such as the one that I represent, to show that we will go forward, that we do share prosperity and that we share it at a pace equal to that in the south-east of England. At the end of the day, we want a more equal society, economically and socially.

Mr Philip Hollobone (in the Chair): We now come to the Front-Bench speeches, and the guidelines are five minutes for Her Majesty's Opposition, 10 minutes for the Minister and the remaining time Mr Lucas may use to sum up the debate.

5.13 pm

Chris Ruane (Vale of Clwyd) (Lab): It is a pleasure to serve under your esteemed chairmanship, Mr Hollobone.

I welcome the Minister to his place, for the second time this afternoon. He is the fourth Minister in one year; let us hope he stays around during this crucial period in our political history. I give a big thank you to my hon. Friend the Member for Wrexham (Ian C. Lucas) for securing the debate and for speaking so lucidly. A reflection of the importance of this debate can be seen in the number of Labour Members who attended it—nine MPs, I believe, which is almost a third of the Welsh parliamentary party.

My hon. Friend the Member for Wrexham made an excellent speech in which he drew out some important issues, such as the lack of clarity in the whole Brexit process—I share that concern—and ensuring that Wales stays a net beneficiary of the funding. He also, rightly, talked about the disparity within Wales, between east Wales, and west Wales and the valleys.

The hon. Member for Monmouth (David T. C. Davies) went off on one, I think. He had an opportunity to highlight some important issues, but he made some unsubstantiated claims and did not even mention the issue of EU funding. He was one of two Conservatives who argued for extra centralisation of powers with the shared prosperity fund. That worries me.

The hon. Member for Ceredigion (Ben Lake) mentioned the importance of rurality—I share those concerns too, as I have a rural constituency myself—and the fact that he does not want the shared prosperity fund to be Barnettised. My hon. Friend the Member for Cardiff Central (Jo Stevens) mentioned the importance of funding for universities and schools. That is key, because our universities should be driving our 21st-century economy.

I pay tribute to the work of my hon. Friend the Member for Aberavon (Stephen Kinnoch) on his all-party parliamentary group for post-Brexit funding, which is taking a cross-party approach, which is the way it should be. He drew out several points: that the devolution settlement should be respected, that there should be no power grab or financial grab, that we have had a lack of detail so far and that we do not want Wales to suffer financially as a result of voting for Brexit.

My hon. Friend the Member for Ynys Môn (Albert Owen) listed the many benefits of being a member of the European Union and a recipient of the highest levels of European grant in the whole of Europe. He is a great campaigner on energy, which is his specific focus,

and he dreamt up the name “Energy Island” for Ynys Môn—he is Mr Energy Island himself. He said that there should be more devolution to the areas of Wales. All around, we had some excellent contributions.

From my own perspective, I am very worried about the slipping timescale for the consultation on the shared prosperity fund. There have been 113 written parliamentary questions about the shared prosperity fund, two of them from me about the timing. We were promised that the consultation would take place in 2018, but on the last day in Parliament before the summer recess, it was slipped out that the consultation would be by the end of 2018. We are now almost at the end of 2018 and there has been no mention yet. Please, may we have some detail on the timing?

I share concerns expressed around the Chamber about how much funding we will receive. Before the Brexit referendum, the Brexiteers came into Wales to say, “Wales will not suffer. It will have exactly the same funding after Brexit as it did before.” We want to ensure that that will be the case. Another of my concerns about the European funding is that we had both capital funding under the ERDF and revenue funding under ESF. We want to ensure that that continues. In Wales, we benefited tremendously from it.

This is not all just from a party political perspective, so I will finish with the words of the Federation of Small Businesses:

“The FSB calls for the devolved nations to retain the powers to set their own allocations and frameworks for how funding should be prioritised, which takes account of local economic needs.

Regional policy is fundamentally about balancing economic outcomes. As economic development is a devolved function, we believe Welsh Government are best placed to deliver any replacement funding through the Shared Prosperity Fund”.

So please, no power grab by the centre. Leave those powers and that finance in Wales.

5.18 pm

The Parliamentary Under-Secretary of State for Wales (Nigel Adams): It is a pleasure, as always, to serve under your chairmanship, Mr Hollobone. I congratulate the hon. Member for Wrexham (Ian C. Lucas) on securing this debate. I know him from my time on the Select Committee on Digital, Culture, Media and Sport, but he probably does not realise that I visited Wrexham for the first time when I was eight, to watch my local non-league team, Goole Town, play Wrexham at the Racecourse Ground in the 1974 FA cup. We managed to get a one-all draw—sadly, we got stuffed in the replay.

Jo Stevens: With that remark, the Minister made himself what we call in Wales *Western Mail* Welsh.

Nigel Adams: It was my first visit to Wales, so I thought it was worth bringing up.

Chris Ruane: Has the Minister ever been to the Vale of Clwyd?

Nigel Adams: I do not think I have, but I am sure it will be on my agenda shortly. I am looking forward to going to north Wales, and I was in Cardiff on the second day of my appointment.

I thank all hon. Members for their contributions, and for their kind wishes on my appointment as Parliamentary Under-Secretary of State for Wales. It is a great honour

[*Nigel Adams*]

to be asked to join the Department and to carry on the work of my predecessors. Although I have not yet been in the job a week, I understand and recognise many of the issues that have been raised. Someone said that they are a passionate lot in Wales; that has been exemplified this afternoon, and it is an incredibly important debate to have.

As the hon. Member for Wrexham pointed out, Wales has been a net beneficiary of funding from the EU. By the time the current cycle finishes in 2020, Wales will have received more than £5 billion. The hon. Gentleman's constituency has benefited from that funding to the tune of more than £14 million between 2005 and 2016. Projects such as the community resource centre in his constituency, Coedpoeth Enterprise and Lifelong Learning Centre, and the west Wrexham learning project have received funding from Europe. It is understandable that they, like other organisations in Wales, both large and small, will want to know what comes next.

The hon. Member for Aberavon (Stephen Kinnock) mentioned that as part of our 2017 manifesto, we set out proposals for a UK shared prosperity fund, which would

"reduce inequalities between communities across our four nations".

As part of that commitment, we recognise the role that the Welsh Government and other devolved Administrations have played in delivering structural funds over the last 20 or so years. We are absolutely committed to engaging with them as we develop the proposals. The Government have already begun discussions, which will continue, at official and ministerial levels.

Since 2016, we have worked together to agree deals; the Cardiff and Swansea deals are together worth £2.5 billion. We are working on a £120 million deal for north Wales, which I have already had a briefing on and am very keen to get involved in, to see what I can do to help deliver those projects. That was announced in the Budget, as Members will be aware, along with a commitment to start work on a deal for mid-Wales. Those are examples of our Governments working together across administrative boundaries to strike deals that will power economic growth throughout Wales.

The shared prosperity fund provides the UK with an enormous opportunity to redefine the way we invest our money in line with priorities unique to the people, communities and businesses across all nations of our Union, not least Wales. It is right that these groups be afforded the chance to express their views directly to all Governments on the priorities and most effective structures for future funding. Our forthcoming public consultation is an important first step in shaping those discussions, and will ensure that interested parties from across the UK are given the opportunity to inform the debate.

Chris Ruane: The Minister says that the consultation is upcoming; can he give us the exact date?

Nigel Adams: This debate is a starting point, but the consultation will begin before the end of the year. It will be for others in Government to announce the date, but given that we are halfway through November, it is probably easy to work out that the hon. Gentleman will not have long to wait for the consultation to begin.

Albert Owen: I am not criticising the Minister, because he has only been in the job a short time, but it is the duty of Wales Office Ministers to stand up for Wales. We are having this debate to put pressure on him, so that the Welsh voice is heard loud and clear in this debate. It is not for others to decide; it is for Government to decide, and he is our voice in that Government.

Nigel Adams: I completely agree. I see myself as a champion for Wales in Westminster. That is incredibly important and must be my priority. I cannot tell the hon. Gentleman the exact date, but I can say that it will be this year, which indicates that it will be incredibly soon. I hope he takes me at my word when I say that the consultation is about to start.

Given the significance of the shared prosperity fund, it is right that questions about the size, structure and priorities for investment develop as we approach next year's spending review, which will determine the amount of money that will be discussed.

Ben Lake: On the spending review, should we be concerned that it seems that responsibility for this fund has been given to the Ministry of Housing, Communities and Local Government, rather than the Treasury? Might that suggest that it is not as big a pot of money as we would hope?

Nigel Adams: I certainly do not write the comprehensive spending review—well, not yet. I ask the hon. Gentleman to bear with, to coin a phrase. I do not think he has anything to be concerned about in terms of MHCLG being involved in this process—it is only right that it be involved.

In the time I have left, let me turn to specific points raised by hon. Members. In his eloquent speech, the hon. Member for Wrexham spoke passionately about his constituency and his area of north Wales. He asked whether the same rules would apply across the UK. We will absolutely respect the devolution settlement and work with the devolved Administrations. As I said, we are committed to consulting before the end of the year—in the next few weeks—and people will have that opportunity to set out their views on the fund.

The hon. Gentleman rightly commented that the system has not always worked as well as he had hoped. He said that investments had not always delivered the expected return in gross value added terms, that some EU funding had not worked particularly well for Wrexham, and that there had been a bit of a missed opportunity. That is absolutely right. That is why we should have this debate, and why we should all contribute to the consultation.

The hon. Gentleman and the hon. Member for Aberavon, whom I thank for his work on the all-party parliamentary group on post-Brexit funding for nations, regions and local areas, said decisions should be made locally. They both made very valid points in that respect. In my view and that of the Government, EU exit provides an excellent opportunity to reconsider how funding for growth is delivered across the UK. The consultation will be a great opportunity to start that conversation.

The hon. Member for Ceredigion (Ben Lake) and others asked when we would publish the details of the fund. As I said, we will do that in the next few weeks, before the end of the year. We are absolutely committed to that. That will give everyone across the UK the

opportunity to contribute their views, and to help those views to form Government policy on this issue. Decisions on the actual spending will be made in the spending review next year.

I would have liked to respond to one or two other hon. Members, but I want to give the hon. Member for Wrexham the opportunity to respond to the debate. I thank everyone for contributing. We want an economically strong Wales in a prosperous United Kingdom. Working alongside the Welsh Government through the shared prosperity fund, we can ensure that becomes a reality.

5.28 pm

Ian C. Lucas: A number of Members asked for a commitment that Wales would not receive less under the UK shared prosperity fund than it currently receives. I note that this commitment, which has been asked for ever since the general election, still has not been given. There is great concern about that.

Nigel Adams *rose—*

Ian C. Lucas: I will give way to the Minister if he wants to give me that commitment.

Nigel Adams: The hon. Gentleman will appreciate that the exact amount must be considered as part of the comprehensive spending review in due course.

Ian C. Lucas: It is pretty fundamental that we do not want Wales to lose out. I think I speak for everyone who participated in the debate when I ask the Minister to convey to the Government, on behalf of Wales, that the sum must not be less than it is currently. As we heard, there are different views about how the fund—

5.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statements

Wednesday 14 November 2018

TREASURY

ECOFIN

The Chancellor of the Exchequer (Mr Philip Hammond):

A meeting of the Economic and Financial Affairs Council (ECOFIN) was held in Brussels on 6 November 2018. The UK was represented by Mark Bowman (Director General, International Finance, HM Treasury). The Council discussed the following:

European Free Trade Association (EFTA) dialogue

EU Finance Ministers were joined by representatives of the EFTA countries and held an exchange of views on the opportunities and challenges of FinTech to the financial sector and economic growth.

Early morning session

The Eurogroup President briefed the Council on the outcomes of the 5 November meeting of the Eurogroup, and the European Commission provided an update on the current economic situation in the EU. The Council also held an exchange of views on the annual report of the European Fiscal Board.

Digital services tax

The Council held an exchange of views on the state of play of the negotiations on the digital services tax directive.

Current financial services legislative proposals

The Austrian presidency provided an update on current legislative proposals in the field of financial services.

European Court of Auditors' annual report

The President of the Court of Auditors presented the auditors' report on the implementation of the budget of the European Union for the 2017 financial year.

EU statistical package

The Council adopted Council conclusions on the autumn EU statistical package.

Conclusions on climate finance

The Council adopted Council conclusions on climate finance as part of the annual process in the run up to the United Nations framework convention on climate change conference of parties in Poland on 2 to 14 Dec.

Follow-up to the G20 meeting of Finance Ministers and Central Bank Governors and of the IMF annual meetings in Indonesia

The Austrian presidency and the Commission presented the main outcomes of the G20 meeting of Finance Ministers and Central Bank Governors and of the IMF annual meetings between 11 and 12 October in Bali, Indonesia.

[HCWS1081]

DEFENCE

Veterans Strategy

The Secretary of State for Defence (Gavin Williamson):

Following the 100-year anniversary of the 1918 Armistice, the time is right to review how we continue to support and empower veterans in the future. Veterans are an

asset to our nation and demonstrate some of the best qualities in our society: responsibility, duty and hard work. We are proud of the care, support and respect our society gives to veterans and have a long history of supporting those who step up to serve their country.

We want to make sure we continue to support veterans and want to do more. By 2028 we will do more to ensure that each veteran is valued, contributing and supported. Today we publish the "Strategy for our Veterans" (Cm 9726) and supporting "UK Government Consultation Paper" (Cm 9727) that outlines what we aim to do and consults on how we will achieve it. This strategy is part of the armed forces covenant, introduced in 2011 to ensure all service personnel, military families and veterans are treated fairly in accessing public and commercial services. Through the covenant, we have radically improved the support we give to veterans across Government, in terms of priority healthcare pathways, access to housing, employment support, and more.

The cross-Government "Strategy for our Veterans" is a remarkable joint statement of strategic intent for UK and devolved Governments. It is the first time Governments across the UK have clearly stated collective tangible outcomes for veterans' services, and indeed the first time that all four nations of the UK have come together on such a far-reaching topic. It sets a vision and principles for support to veterans, as well as tangible outcomes in a variety of areas. The vision and principles are enduring and extend beyond the horizon of the strategy. Together, they state the long-term goal against which we will organise services for veterans throughout the UK. To deliver the vision and principles we have set outcomes for a number of cross-cutting factors and themes that will give us tangible aspiration to measure success. There are five cross-cutting factors that provide a backdrop to the overall system of veterans' service provision as well as six identified themes. For each of the cross-cutting factors and themes there is an outcome for 2028 towards which all UK nations will work to deliver.

Today we also publish the complementary "UK Government Consultation Paper" that seeks the public's view on how to build upon existing services. We would like comments from any public organisation that provides a service for veterans, from charities in the armed forces sector and other sectors who assist veterans, from private sector companies, and of course from veterans themselves. This consultation is UK-wide, although the Scottish Government and Welsh Government will consult separately on devolved matters.

The "Strategy for our Veterans" and accompanying "UK Government Consultation Paper" will be debated in the House of Commons and House of Lords on 15 November 2018.

[HCWS1080]

DIGITAL, CULTURE, MEDIA AND SPORT

Fixed Odds Betting Terminals

The Secretary of State for Digital, Culture, Media and Sport (Jeremy Wright): The Government are today announcing that the implementation of changes to reduce the stakes of B2 gaming machines from £100 to £2 will take place in April 2019. This will be done through a statutory instrument, laid before the House this week.

Following the consultation on gaming machines and social responsibility measures, the Government decided to cut the maximum stake for fixed odds betting terminals to £2 to help stop extreme losses by those who can least afford it and protect the most vulnerable in our society.

After a thorough consultation with interested parties, including charities, campaigners and the gambling industry, across government we reached a decision to make this significant change in October 2019.

The Government have been clear that protecting vulnerable people is the prime concern, but that as a responsible Government it is also right to take the needs of those employed by the gambling industry into account and provide time for an orderly transition.

Parliament has, however, been clear it wants this change to be made sooner. The Government have listened and will now implement the reduction in April 2019.

In order to cover the negative impact on the public finances, and to protect vital public services, this change is being linked to an increase in remote gaming duty, paid by online gaming operators. The Finance Bill will also be amended so that the increase to remote gaming duty comes into effect in April 2019.

The Government will expect the gambling industry to work with it to reduce the effect of any impact on jobs and to support employees that may be affected by this expedited timeline. The cross-government group that has been set up is ready to assist.

Finally, the Government will continue to take action to protect vulnerable people, including strengthening protections around gaming machines, online gambling, gambling advertising and treatment for problem gambling.

[HCWS1082]

ORAL ANSWERS

Wednesday 14 November 2018

	<i>Col. No.</i>		<i>Col. No.</i>
CABINET OFFICE	295	CABINET OFFICE — <i>continued</i>	
Cyber-security.....	298	Postal Voting System.....	295
Cyber-specialist Vacancies	299	Topical Questions	303
Electoral System: Overseas Interference.....	301		
Government Hubs: Civil Service Efficiency.....	302	PRIME MINISTER	304
Infected Blood Inquiry.....	296	Engagements.....	304

WRITTEN STATEMENTS

Wednesday 14 November 2018

	<i>Col. No.</i>		<i>Col. No.</i>
DEFENCE	5WS	TREASURY	5WS
Veterans Strategy	5WS	ECOFIN.....	5WS
DIGITAL, CULTURE, MEDIA AND SPORT	6WS		
Fixed Odds Betting Terminals.....	6WS		

No proofs can be supplied. Corrections that Members suggest for the Bound Volume should be clearly marked on a copy of the daily Hansard - not telephoned - and *must be received in the Editor's Room, House of Commons*,

**not later than
Wednesday 21 November 2018**

STRICT ADHERENCE TO THIS ARRANGEMENT GREATLY FACILITATES THE
PROMPT PUBLICATION OF BOUND VOLUMES

Members may obtain excerpts of their speeches from the Official Report (within one month from the date of publication), by applying to the Editor of the Official Report, House of Commons.

CONTENTS

Wednesday 14 November 2018

Oral Answers to Questions [Col. 295] [see index inside back page]

Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office
Prime Minister

European Union Withdrawal (Evaluation of Effects on Health and Social Care Sectors) [Col. 323]

Bill presented, and read the First time

Freehold Properties (Management Charges and Shared Facilities) [Col. 324]

Motion for leave to bring in Bill—(Helen Goodman)—agreed to
Bill presented, and read the First time

70th Birthday of the Prince of Wales [Col. 327]

Motion—(Prime Minister)—agreed to

Healthcare (International Arrangements) Bill [Col. 339]

Motion for Second Reading—(Stephen Barclay)—agreed to

Petitions [Col. 369]

Police Employer Pension Contributions [Col. 373]

Debate on motion for Adjournment

Electricity [Col. 407]

Motion, on a deferred Division, agreed to

Westminster Hall

Former Steelworks Site in Redcar [Col. 99WH]
Universal Credit Roll-out: Nottingham [Col. 126WH]
M4 Upgrading: South Wales [Col. 135WH]
Hinkley Point [Col. 150WH]
Shared Prosperity Fund: Wales [Col. 159WH]
General Debates

Written Statements [Col. 5WS]

Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]
