

Thursday
31 January 2019

Volume 653
No. 244



**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Thursday 31 January 2019

House of Commons

Thursday 31 January 2019

The House met at half-past Nine o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

DIGITAL, CULTURE, MEDIA AND SPORT

The Secretary of State for Digital, Culture, Media and Sport was asked—

Nuisance Calls

1. **Bob Blackman** (Harrow East) (Con): What steps his Department is taking to ensure that company directors are held responsible for nuisance calls originating from their companies. [908926]

The Minister for Digital and the Creative Industries (Margot James): The Government have taken firm action against nuisance calls, which cause untold stress and anxiety to older people and vulnerable groups in particular. In December last year, we introduced new rules. Directors of companies found to be in breach of those laws against nuisance calls can now be held personally liable and face fines of up to half a million pounds. That liability will extend to directors of companies that have gone into liquidation.

Bob Blackman: Like your constituents, Mr Speaker, my constituents are fed up to the back teeth of receiving scam phone calls from companies trying to get people's savings, forcing them to get their pensions transferred and almost any other telemarketing. It is good news that the Government have taken action to set the rules so that the Information Commissioner can take action, but what are they going to do to ensure that the rules are enforced, so that company directors lose the ill-gotten gains acquired as a result of these activities?

Margot James: The Information Commissioner has powers to require companies to address unlawful practices and issue monetary penalties, including, now, against directors. Figures available for the past 12 months show that fines worth over £1.9 million have been issued to 23 companies. We have also increased substantially the resources available to the Information Commissioner's Office, so she will be able to pursue more irresponsible and reckless companies.

Jim Shannon (Strangford) (DUP): Bearing in mind the fact that nuisance calls make up some 40% of calls to elderly residents, have the Minister and the Department

given consideration to putting in place a system whereby people have to opt in to allow their number to be shared?

Margot James: Opting in is a potential solution. In the past 12 months, we have extended opt-in as the means of controlling calls from pensions providers and claims management companies. I trust this will make a significant difference as they are a significant proportion of the problem.

Mr Richard Bacon (South Norfolk) (Con): Why is the liability limited to only half a million pounds?

Margot James: It was decided, after much deliberation, that half a million pounds was a sum of money that would be a disincentive to the majority of individuals. I accept that there may be exceptions to that, but they are relatively few and far between.

TV Licences: Over-75s

2. **Gavin Newlands** (Paisley and Renfrewshire North) (SNP): If he will make it his policy to maintain free TV licences for people over the age of 75 after the end of the current scheme in 2020. [908927]

6. **Liz McInnes** (Heywood and Middleton) (Lab): If he will make it his policy to maintain the provision of free TV licences for people aged 75 and over after the current scheme expires in 2020. [908931]

13. **Nick Smith** (Blaenau Gwent) (Lab): If he will make it his policy to maintain the provision of free TV licences for people aged 75 and over after the current scheme expires in 2020. [908942]

The Secretary of State for Digital, Culture, Media and Sport (Jeremy Wright): Many older people across the country value television as a way to stay connected with the world. That is why we have guaranteed the over-75s concession until June 2020, at which point the responsibility for the concession will transfer to the BBC. After that, it is for the BBC to decide on the future of the concession, but we have made it clear that we would want and expect it to continue with it.

Gavin Newlands: This obligation would cost the BBC three quarters of a billion pounds, rising to £1 billion by the end of the decade. That equates to one fifth of the BBC budget, more than its entire radio budget and equivalent to its entire spend on drama, entertainment, comedy and sport programming. Scottish sport and minority sports need more coverage, not less. Are Age UK and BECTU—the Broadcasting, Entertainment, Cinematograph and Theatre Union—not correct? This is an age-related benefit and as such it should remain the responsibility of this Government.

Jeremy Wright: Of course, as the hon. Gentleman will know, the discussions with the BBC about the transfer of this responsibility took place in 2015, at which point the BBC agreed to take on this responsibility. He will know that the licence fee income continues to increase for the BBC and he will know that this House passed legislation in 2017 to effect the transfer, so the BBC has understood throughout what the level of commitment would be and it has agreed to undertake it.

Liz McInnes: One suggestion in the consultation is that the TV licence is means-tested and linked to pension credit, yet in my constituency 1,211 over-75s do not claim the pension credits to which they are entitled so would miss out on the TV licence if it were to be linked. Does the Minister agree that that option is totally unworkable and that it is wrong of his Government to lay the burden of their own manifesto promise at the door of the BBC?

Jeremy Wright: On the hon. Lady's last point, I have laid out how that has happened. On the consultation, as she points out the BBC has set out many options. Not all of them will find favour. I am sure that she and others will want to submit their own responses to the consultation to underline the concerns she has expressed. It is right that the BBC is consulting. It is right that it is doing so in an open way. It must consider carefully all the views it receives before deciding its next moves.

Nick Smith: Maintaining free TV licences for over-75s until 2022 was a Tory manifesto promise, but the Government had already outsourced that responsibility to the BBC. Why did they make a promise that they knew they could not keep?

Jeremy Wright: As I have set out, we expect the BBC to honour that commitment. We made it clear that we expected the BBC to take on responsibility for that concession, and it agreed to do so. That was clear to all in 2015. While the hon. Gentleman is on the subject of promises, perhaps he or one of his colleagues can explain what Labour's view on this is. Labour Members criticise us for passing that commitment on to the BBC. Will the Labour party in government take it back? If so, how will it pay for it?

Sir Desmond Swayne (New Forest West) (Con): With the exception of God's grace, nothing should be free. It distorts markets and misallocates resources, doesn't it?

Jeremy Wright: As ever, I admire my right hon. Friend's ideological purity. It is important that we make sure the BBC continues to provide an excellent service to all those who watch television. That is what it is committed to doing, and it has agreed to take over responsibility for a very specific concession. It is one of many concessions, of course; the others remain entirely unaffected.

Kevin Foster (Torbay) (Con): As the Secretary of State will know, many across Torbay enjoy BBC services such as BBC Radio Devon and the BBC "Spotlight" evening news. Does he agree that very few people over 75 understand that the BBC did not take the chance to look carefully at some of its costs—particularly for very high-value entertainment and talent—rather than cut that benefit?

Jeremy Wright: I understand my hon. Friend's point. It is of course important that the BBC continues to be accountable to the public for the money it spends, and particularly for the money it spends on talent. As he will recognise, we are able to discuss that in an informed way because the Government have brought about transparency on that point so we can see what those people are paid.

Mr Steve Reed (Croydon North) (Lab/Co-op): The Secretary of State is not going to get away with devolving the blame for his cuts. More than 2 million over-75-year-olds live alone, and the Campaign to End Loneliness reports that four in 10 of them say that television is their main source of company. The last Conservative manifesto promised to keep TV licences, and the Government have committed to ending loneliness with a loneliness strategy. Will the Secretary of State pledge now that no one over 75 living alone will lose their free TV licence?

Jeremy Wright: The hon. Gentleman is right to focus on loneliness. He will know that the Government have produced not only a strategy but funding to follow through on the recommendations of the Jo Cox Commission on Loneliness. That money is being spent to good effect. We want to make sure people continue to have access to all methods of support to deal with loneliness. I make the point again: it is all very well the Labour party's criticising this move, but unless that is more than hot air it will have to explain whether it intends to reverse this policy. If it does not, people will suspect that it is just making further promises it has no intention of keeping.

Hannah Bardell (Livingston) (SNP): With your indulgence, Mr Speaker, I would like to put on the record the condolences and sympathy of everybody in this House for the family of Molly Russell. Her untimely death stands as a stark reminder of the dangers of online self-harm posts. I hope the Secretary of State will join me in offering the family our condolences and in doing everything we can to tackle those harmful posts.

Is it not the case that the Secretary of State's predecessor, the previous Chancellor and the previous Secretary of State for Department for Culture, Media and Sport held the BBC to ransom over this issue, and that he has been left to clean up this mess? He should stick to his manifesto commitment to maintain pensioner benefits, including the TV licence, so elderly constituents in my Livingston constituency and across the UK can continue to enjoy it.

Jeremy Wright: First, I endorse what the hon. Lady has said about the family of Molly Russell, and I know the whole House will offer strong condolences for her family. As the hon. Lady knows, not only is this a subject of considerable interest to the Government on a number of fronts, but we will of course discuss it later on this morning, I am sure.

On the TV licence, let me first point out again that this Government have an exceptionally proud record on benefits for pensioners. We have made considerable provision for the increase in the state pension, a record that compares extremely favourably with that of the previous Labour Government. But in relation to this particular transition from the Government to the BBC for responsibility for this concession, I say again that the BBC understood exactly what the consequences of this change would be, and of course at the time professed, through the director-general and others, satisfaction with the charter review and funding settlement. It is a little late in the day for everyone suddenly to wake up to this issue and claim that it will have terrible consequences; the consequences have been clear.

Social Media Platforms and Hate Speech

3. **Anna Turley** (Redcar) (Lab/Co-op): What steps the Government are taking to ensure that social media platform providers identify and remove online hate speech. [908928]

7. **Liz Twist** (Blaydon) (Lab): What steps the Government are taking to ensure that social media platform providers identify and remove online hate speech. [908932]

The Secretary of State for Digital, Culture, Media and Sport (Jeremy Wright): In the digital charter we set out our ambition for everyone to access the opportunities of the internet and to feel safe in doing so. Our forthcoming White Paper will set out measures to ensure platforms take adequate steps to protect their users from online abuse, including hate speech, and as part of the Government's internet safety strategy we have asked the Law Commission to conduct a review of the current law around abusive and offensive online communications.

Anna Turley: May I add my thoughts and those of my constituents and of everybody on this side of the House and across these Benches to the sympathies and condolences to the family of Molly Russell for that tragic incident?

I hear the Minister's words and look forward to the forthcoming report, but I am afraid this just seems like too little too late. Does he not agree with the Science and Technology Committee, which has published a report today, that an existing regulator such as Ofcom could start work on a harm reduction strategy as soon as October, as I already put forward in a private Member's Bill two years ago? This is urgent.

Jeremy Wright: I am grateful to the hon. Lady and am familiar with her private Member's Bill and the report to which she refers; both are extremely valuable additions to this consideration. I am sure she will understand, however, that the most important thing we can do for the family of Molly Russell and other young people and their families who are concerned about this issue is make sure that our response is effective and properly thought through and will work in the long term. It is no good getting good headlines for a day or two and then finding that the structures we set up have holes in them that mean they cannot deliver. What that means is that the Government are taking time to get this right. It is also worth pointing out that we are the first country that will do this; if we produce a holistic approach to online harms and internet regulation, we will be the first country to do it. We should be proud of that, but we should make sure we get it right. We will do it and the hon. Lady will see the White Paper soon, but it needs to be got right.

Liz Twist: On 8 January the Petitions Committee produced its report on its inquiry into internet trolling of people with disabilities. Will the Minister commit to our recommendation to ensure that the internet is no more dangerous for disabled people than for everyone else, and will he include people with disabilities in his consultation?

Jeremy Wright: The answer to the last question is yes, and the hon. Lady is right to highlight again this report and the issues that surround the abuse that can be directed to disabled people. This is absolutely fundamental.

What we must get across, not just in regulatory structures and Government action but in what we all say, is that there is no special rule that applies to the online world that means people can engage in abuse or behaviour that would be unacceptable in any other forum. That is not the case, and we all have to say it with clarity.

Michael Fabricant (Lichfield) (Con): Nick Clegg seems to have landed on his feet since leaving this place and is now the government affairs officer or director or vice-president of Facebook, earning a million or two I understand—

Victoria Prentis (Banbury) (Con): A bit more.

Michael Fabricant: A bit more, I am told by a colleague sitting in front of me. Nick Clegg seemed startled at the idea that Facebook has any responsibility in this area when asked about it on television recently. Does my right hon. and learned Friend have any plans to speak with Mr Clegg about this—or is it Sir Nick? [*Interruption.*] Sir Nick.

Jeremy Wright: I of course would wish to say that I am sure that my hon. Friend is being unfair to our former colleague, but I can tell him that I spoke to Sir Nick last week and I am happy to tell the House what I told him, which is that when the White Paper is published he and everyone else, including Facebook, will see that the Government's intent is to set out with clarity what the responsibilities of online companies like Facebook are, how they should meet those responsibilities and what will happen to them if they do not.

Tom Watson (West Bromwich East) (Lab): I agree with the Secretary of State that the White Paper should provide remedies for dealing with hate speech; the real test will be whether it protects our children. Last week, we heard of the tragic case of a young girl taking her own life after being exposed to harmful material about depression and suicide online. This week, we have learned that online bullying has doubled. If I got to talk to Nick Clegg, I would tell him that, rather than focusing on protecting children, Facebook and others are focused on profiting from children. This morning, the Science and Technology Committee has called for a legal duty of care on social media companies, and we support that important report. Will the Secretary of State confirm that he supports that call, and will he state explicitly that it has to be underpinned and enforced by a regulator that has teeth?

Jeremy Wright: I am grateful to the hon. Gentleman for what he says about Molly Russell and others who have been affected. As he knows, she is sadly not the first of these cases and she is unlikely to be the last. I should like to take this opportunity to pay tribute also to her father, who I am sure the whole House would agree has not only dealt with his loss with immense dignity but sought to ensure that that loss was not in vain and that people will make the changes that we all agree are necessary.

On the point about a duty of care, the hon. Gentleman knows, because we have discussed it, that this is something we are considering carefully. We are also keen to ensure that whatever structures the White Paper sets up can be enforced. Although it is right to point out that some

social media companies have done some things in this space that we should applaud, it is clear that there has been nowhere near enough activity yet, and it would be wrong to assume that this House or this Government can sit back and allow the social media companies to do this voluntarily, so there will be further action, and the hon. Gentleman will see it set out in the White Paper. I look forward to his comments and the House's reassurance on this; we will want to hear what everyone in the House and beyond has to say. As I said earlier, this is ground-breaking stuff and the UK should be proud to be able to do it first, but we must do it right. That means that the views, opinions, knowledge and expertise of many more must be included in the process.

Several hon. Members *rose*—

Mr Speaker: Order. Perhaps we can get through the remaining questions without replies that take a minute and a half. Hopeless! Sorry, but hopeless!

Tourism

4. **Chris Davies** (Brecon and Radnorshire) (Con): What steps his Department is taking to support tourism throughout the UK. [908929]

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Michael Ellis): Tourism is an incredibly important part—one of the most important parts—of the UK economy, generating £68 billion a year and employing more than 1.5 million people. Visit Britain and the GREAT campaign, backed by significant Government support, continue successfully to promote the UK internationally.

Mr Speaker: I thought that the hon. Gentleman was seeking to group this question with Question 5. Is that right? That is what we have been advised—[*Interruption.*] Surely you know your own grouping, man!

Michael Ellis: If you wish, Mr Speaker, I will certainly do that. I had not understood that to be the case, but I am happy to link that question with Question 5—[*Interruption.*] I will say yes.

5. **Sir David Amess** (Southend West) (Con): What recent progress his Department has made on the tourism sector deal. [908930]

Mr Speaker: Very good. I understood that to be the request of the Government. It is quite important for the Government to know what the Government want. If the Government do not know what the Government want, how is the Speaker supposed to know, for goodness' sake? I call Chris Davies.

Michael Ellis: I know what the Government want, Mr Speaker. So—[*Interruption.*] I think our colleague was going to ask a question.

Chris Davies: If the Minister does not mind, I will ask my question before he answers it!

In my beautiful constituency of Brecon and Radnorshire, the River Teme runs through the scenic Teme valley into Shropshire, the River Wye runs through the idyllic Wye valley into Herefordshire, and the well-trodden

tourist trail of Offa's Dyke—where one can walk with one foot in England in one foot in Wales—runs down my constituency border. Will my hon. Friend confirm that his Department will ensure that rural tourism is indeed cross-border?

Mr Speaker: The hon. Gentleman's question was charming, but it was too long.

Michael Ellis: With the Brecon Beacons national park, my hon. Friend's entire constituency is one of many with considerable beauty and attraction for tourists internationally as well as nationally. It is a key part of our economy to encourage tourism around the country, and we do that via Visit Britain and the GREAT campaign. I would happily encourage visitors to go to his constituency at any time.

Sir David Amess: With Southend-on-Sea about to become a city, please will my hon. Friend explain to the House how the tourism sector deal can help Southend-on-Sea on its journey to become not only the finest seaside resort in the country, but the finest seaside resort in the world?

Michael Ellis: The constituency certainly has one of the finest Members of Parliament. The important proposed tourism sector deal has moved into the negotiation phase, and we are exploring how the Government can work with the industry to reduce seasonality and address other tourism-related issues, such as increasing skills, improving local tourism offers and helping more people to develop tourism. All that will apply not only to my hon. Friend's constituency, but to constituencies around the country. I wish Southend-on-Sea well.

Lilian Greenwood (Nottingham South) (Lab): One of the things that drives tourism is the arts, including theatre. Will the Minister join me in congratulating Nottingham Playhouse and its new artistic director, Adam Penford, on winning regional theatre of the year in *The Stage* awards? Does he agree that the theatre not only demonstrates outstanding creativity, but engages with and serves our communities, works hard to make the arts accessible to everyone, and provides yet another good reason to visit Nottingham?

Michael Ellis: I absolutely agree. In fact, more people visit the theatre than go to premiership football matches in any given year. The theatre is a key part of our economy and encourages visitors from around the world to come to this country, and I congratulate Nottingham Playhouse and its staff and management structure. I recommend that people go to the theatre and to Nottingham Playhouse.

Mr Gregory Campbell (East Londonderry) (DUP): Will the Minister do what he can to help to promote a summer of sport in Northern Ireland and in my constituency? The Open golf tournament is coming back for the first time in 70 years, and the North West 200 motorbike race celebrates its 90th anniversary this year.

Michael Ellis: Yes, I will. The reality is that those activities and so many others in his constituency bring not only soft power, encouraging people to come to his constituency, but economic power. We encourage all sports activities in that way.

Victoria Prentis (Banbury) (Con): Tourists come to north Oxfordshire for many reasons, not least to shop in Bicester Village. Does the Minister agree that a tourism tax would not be beneficial?

Michael Ellis: I do. My hon. Friend may have seen an article by the director of the Victoria & Albert Museum. I was surprised that the director had time to engage with the subject of a tourism tax, on which I think he is wrong, but of course he is a former Labour Member and Labour MPs do like to tax as much as possible. The reality of the matter is that Bicester and other parts of this country benefit hugely from tourism, and we want to encourage it, not discourage it. There are 1.5 million jobs in tourism in this country, and Bicester attracts visitors from all over the world.

Mr Speaker: There is a lot to be said for Bicester Village. I have been there many times, and I have an extremely agreeable Zegna tie that I purchased there some years ago. I am not wearing it today, but I will wear it for the benefit of the hon. Member for Banbury (Victoria Prentis) on another occasion.

Louise Haigh (Sheffield, Heeley) (Lab): Tourism is greatly boosted by our music industry. Sheffield's musicians are renowned the world over, building their reputations on shoestring-budget European tours that are guaranteed because the movement of music equipment around Europe does not require a customs document known as the ATA Carnet. Will the Minister guarantee that musicians in Europe will not require such a document post Brexit, that the movement of music equipment will be frictionless and that the people of Europe will not be deprived of the Arctic Monkeys of tomorrow?

Michael Ellis: What I can guarantee is that my portfolio involves looking after the interests of musicians and orchestras. The Department does that by lobbying where appropriate and by discussing such matters with the Home Office, which is ultimately responsible for immigration issues. I met the Association of British Orchestras only last week. We are ensuring that musicians are looked after. They are an important part of our economy.

International Sport

8. **Andrew Rosindell** (Romford) (Con): What steps his Department is taking to encourage more international sport to be played in the UK. [908933]

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Mims Davies): My Department works closely with UK Sport and national sports governing bodies, as well as with local, regional and devolved partners, to ensure that the UK successfully bids for and stages a range of the world's largest sporting events. We have secured over 100 major international sports events since 2012, and this will be an exciting summer, which will include the cricket world cup, the cycling road world championships and the netball world cup. Of course, we are looking forward to UEFA 2020, and not far off is the rugby league world cup in 2021.

Mr Speaker: And Wimbledon.

Andrew Rosindell: Now that the FIFA bidding process is much more transparent, has the Minister considered the possibility of holding the 2030 World cup in England or in the United Kingdom, involving all the home nations of our nation?

Mims Davies: As the Prime Minister said last year, the UK Government would support a bid to host the 2030 FIFA World cup. I welcome that transparency and the football associations are free to decide whether to pursue that opportunity. The English FA is already working with the FAs of Scotland, Wales, Northern Ireland and Ireland to explore the feasibility of such a joint bid.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I am sure the Minister will join me in welcoming the fact that the 2021 rugby league world cup opening ceremony will take place at Newcastle's St James' Park. Does she agree that all sport played at St James' Park should be played in the interest of the fans, not of finance, and that the Premier League would do well to learn that?

Mims Davies: The hon. Lady, adorned in black and white, makes her point once again. It is a very exciting announcement for the cities involved, and it is right that she continues to stand up for her football club and for the great sporting prowess in her constituency. It is right that we send the message that Newcastle should continue to play its part.

Mr Peter Bone (Wellingborough) (Con): Does the excellent Minister agree it is important to have international sport here regularly? Four American football games a year are now played in this country—two at Wembley and two at the excellent Tottenham Hotspur ground next year—but would it not be better if we had a permanent franchise so that we could have American football played here throughout the season?

Mims Davies: The Americans are coming—on a trade level, on a footballing level and on a baseball level. We will see Major League Baseball at the London stadium, as well as more National Football League games. The Houston Texans and the Carolina Panthers are coming, and we will be seeing more and more coming across from the stateside. I am sure my hon. Friend will be delighted to attend. Perhaps we could go together.

John Grogan (Keighley) (Lab): There are concerning reports this week that Six Nations rugby, one of the great annual sporting events that unites the nation, is about to be subsumed in a world tournament and disappear off to subscription TV. Will the Minister take steps to add Six Nations rugby to the listed events that must be offered live to free-to-air TV?

Mims Davies: As the Six Nations approaches, the excitement fast builds. Such concerns have already been raised with me this week by the Secretary of State for Wales, and I have agreed to meet him and broadcasters. It is important that this area of sport, which we all enjoy, is available for everyone to see and to be part of. I will be taking those concerns forward.

Jeremy Lefroy (Stafford) (Con) *rose*—

Mr Speaker: We have heard from a Tottenham fan, so we have to hear from an Arsenal fan.

Jeremy Lefroy (Stafford) (Con): On Saturday I enjoyed watching England's under-18 schoolboys beat Australia at the excellent Stafford Town football club. Can we ensure that international matches in all sports are played right across the country, including in our great towns as well as in our cities?

Mims Davies: That sounds like another bid. It is right that we should host international sporting opportunities across our great country. Perhaps my hon. Friend is bidding to be part of the future UK major sports events strategy, which is coming up shortly. We have seen that, with the announcement of the rugby cities, we are looking beyond London, and it is right that Stafford plays its part.

Broadband and Mobile Phone Coverage: Rural Areas

9. **Antoinette Sandbach** (Eddisbury) (Con): What steps he is taking to improve broadband and mobile phone coverage in rural areas. [908934]

11. **Tom Pursglove** (Corby) (Con): What steps he is taking to improve broadband and mobile phone coverage in rural areas. [908940]

The Minister for Digital and the Creative Industries (**Margot James**): The Government have invested £1.8 billion of public money to ensure that more than 95% of premises in the UK have access to superfast broadband. UK broadband operates voucher schemes, and we are introducing a universal service obligation that will give everyone the right to a minimum speed of 10 megabits per second. These interventions are designed especially to help people in rural areas.

Antoinette Sandbach: A number of Eddisbury residents have been denied superfast broadband because Openreach refused to connect them to their nearest cabinet as, for historical reasons, they are connected to one many miles away. What can the Minister do to ensure that common sense applies?

Margot James: I understand the frustration of Eddisbury residents. Wherever possible, Openreach network planners seek to ensure that customers are connected to the nearest cabinet, but this is not always possible. Businesses and communities may apply for a voucher through one of our schemes to contribute towards the cost of reconnecting to a closer cabinet. I would be happy to facilitate a meeting between my hon. Friend and officials in my Department to establish the best way forward for Eddisbury residents.

Tom Pursglove: With more and more business being carried out online, superfast broadband connections are vital. What progress has been made on rolling out this technology so that rural businesses, in particular, can thrive?

Margot James: The Government are investing £67 million in the gigabit broadband voucher scheme, which provides small and medium-sized enterprises with vouchers

worth up to £2,500. We are focusing on rolling out full fibre where there is a strong case for public investment. Our strategy is to prioritise rural areas.

Chris Elmore (Ogmore) (Lab): Will the Minister answer the second part of the question tabled by the hon. Member for Eddisbury (Antoinette Sandbach), which was about mobile phone signals? What are the Government doing about that? Large swathes of my constituency in south Wales still do not have basic mobile phone access—some of them do not have 3G access, never mind 4G. The Government really must start resolving mobile phone signal issues.

Margot James: I can answer the hon. Gentleman's question by referring to the new spectrum auction, which is taking place this year, on which Ofcom is consulting. Ofcom's duty is to manage the use of spectrum efficiently, and we expect it to deliver on our manifesto commitment to provide 95% of the country, geographically, with signal.

Dr David Drew (Stroud) (Lab/Co-op): Will the Minister have a word with the planning Minister to make sure that when there is a new development in a rural area, it does not cause the existing IT capability to deteriorate?

Margot James: Our Department's priority is to make sure that new-build properties and developments are all built with full fibre, wherever possible. If I have not answered the rest of the hon. Gentleman's question with regard to the impact on the rest of the technology, I would be happy to write to him.

Artificial Intelligence

10. **Eddie Hughes** (Walsall North) (Con): What steps his Department is taking to ensure that the UK remains a world leader in the field of artificial intelligence. [908938]

The Minister for Digital and the Creative Industries (**Margot James**): The UK is a world leader in AI. Our AI and data grand challenge, as part of the industrial strategy, is a major collaboration, with up to £950 million of industry and government funding driving measures for innovation, and attracting and retaining global talent to maintain our position as a global leader in AI.

Several hon. Members *rose*—

Mr Speaker: Order. We have overrun, because I am keen to accommodate colleagues, but I know that the hon. Member for Walsall North (Eddie Hughes) will confine himself to a pithy sentence.

Eddie Hughes: Thank you, Mr Speaker. What assurance can the Minister give me that work to develop AI is being co-ordinated across not just government, but the whole public sector?

Margot James: We have established an Office for Artificial Intelligence across the Department for Business, Energy and Industrial Strategy and the Department for Digital, Culture, Media and Sport. Its job is to encourage strong dialogue between Departments and the wider

public sector, including academia. For example, The Alan Turing Institute's specialist public sector AI unit is involved in this process.

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): Staffordshire University has one of the best AI robotics courses in the country. What role does the Minister see the universities that are training the AI robotics engineers of the future playing in ensuring that the AI technology of today is working?

Margot James: I congratulate the university in the hon. Gentleman's constituency on its great work. The Government have invested £50 million in AI fellowships and £100 million in 1,000 new PhD places, of which I hope his local institution will be able to take advantage.

Music Education

12. **Christian Matheson** (City of Chester) (Lab): What recent discussions he has had with the Secretary of State for Education on the provision of music education in schools. [908941]

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Michael Ellis): Giving young people opportunities to participate in art, drama and music at school can be transformative for their self-confidence, mental health and life chances, which is why the Government are investing £500 million in cultural education between 2016 and 2020.

Christian Matheson: Fifty per cent. of children in independent schools receive sustained music tuition, but the proportion is only 15% in state schools. Does the Minister agree with UK Music that there is a growing crisis in music education in the state sector that will pose a threat to the talent pipeline?

Michael Ellis: It is important to have music in schools—I absolutely recognise that—and I am working closely with colleagues at the Department for Education. I have meetings with the Minister for School Standards and am pleased to be hosting a roundtable with him next week on the provision of music in schools.

Kevin Brennan (Cardiff West) (Lab): The Government's recent funding announcement on music education will barely cover the pay increase for people who teach music. Since 2011, more than 1,200 music teacher jobs have been lost. Is that not a direct result of the Government's contemptuous attitude towards creative subjects?

Michael Ellis: Of course, the state of education that the Government inherited in 2010 was because of the previous Labour Government's incompetence. As a consequence of Labour's education failures, this Government focused on science, technology, engineering and maths. We now want to focus on arts subjects, including music, as well.

Mr Speaker: Finally in this section, Mrs Marion Fellows.

TV Broadcasts: Audio Description

14. **Marion Fellows** (Motherwell and Wishaw) (SNP): What steps he is taking to increase the provision of audio description in television broadcasts for visually impaired people. [908943]

The Minister for Digital and the Creative Industries (Margot James): Ofcom's code on television access services sets out broadcast requirements on accessibility for the visual or hearing impaired. Since the code's introduction, 84 UK channels have been required to provide access services. In December 2017, the Department for Digital, Culture, Media and Sport asked Ofcom to provide recommendations on making on-demand services more accessible. This Ofcom has done, and we are considering our response.

Marion Fellows: Despite there being more than 2 million people with visual impairment and approximately 400,000 registered blind people in the UK, broadcasters are mandated to supply audio description for only 10% of programmes. Does the Minister agree that TV broadcasts should be enjoyed by everyone? Will she review legislation to end this discrimination?

Margot James: I am aware of the 10% statistic that the hon. Lady cites. The situation is kept under review, as are the requirements for on-demand providers, which could do a lot better than they are doing in respect of access for visually and hearing disabled people.

Topical Questions

T1. [908945] **Stephanie Peacock** (Barnsley East) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Digital, Culture, Media and Sport (Jeremy Wright): The House will have noted this week that digital, culture, media and sport sectors are growing more than twice as fast as the UK's non-financial business economy as a whole. That is testament to the hard work and global appeal of our creators and innovators. I congratulate all DCMS sectors on this success.

Talking of success, Mr Speaker—you will want me to get this bit in—I am sure that the House will join me, as I know you will, in paying tribute to Andy Murray after he announced earlier this month that he is likely to retire this year. He has been an inspiration both on and off the court, and I know that the whole House will want to wish him well for the future.

Mr Speaker: Well, that was extremely welcome!

Stephanie Peacock: As was recently brought up in my digital surgery in Barnsley, the copyright directive is at a crucial stage, while YouTube continues to rip off musicians. Will the Secretary of State confirm the Government's full support for the directive?

Jeremy Wright: We do indeed support the directive. We think it is very important that those who create content from which the platforms benefit hugely are properly rewarded for their efforts. We want to make sure that the system is workable, and that is exactly what we are attempting to achieve.

T4. [908949] **Stephen Metcalfe** (South Basildon and East Thurrock) (Con): As a member of the Science and Technology Committee, I was pleased to hear my right hon. Friend welcome the publication of our report on social media. Hopefully it will help him in his thinking

when he comes to develop the internet safety strategy. May I push him a little further on what the timing for that strategy might be?

Jeremy Wright: We have made it clear that our White Paper will be published in the winter, and those paying close attention to the weather forecast will have noticed that the winter is not over yet.

Dr Rosena Allin-Khan (Tooting) (Lab): Football supporters are repeatedly made worse off when fixtures are rescheduled. Fans' representatives from every single premier league club agree that it is time for action. The Under-Secretary of State for Transport, the hon. Member for Harrogate and Knaresborough (Andrew Jones), cancelled his meeting with me this week. The football family needs a Government who are on our side, so can the Minister make it clear what the Government's position is on a fans fair travel scheme?

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Mims Davies): I have met my hon. Friend on exactly this issue, and can say that he is making strides on it. He is very concerned that our fans are being caught in the middle of this and is working with us to do something about it. If the hon. Lady knows of particular fixtures that are affected by strike action or by broadcasting issues that she would like me to raise again, I am happy to meet her and take this forward.

Mr Speaker: I call Huw Merriman.

T5. [908950] **Huw Merriman (Bexhill and Battle) (Con):** Apologies, Mr Speaker, I was half asleep. [*Interruption.*] I am now fully awake.

East Sussex bid to the Cultural Development Fund, which would have created an enterprise zone for our amazing art galleries on the coast, was sadly rejected. Will there be an opportunity to apply again and, if successful, will the Secretary of State join me for a cup of tea down at Bexhill-on-Sea?

Jeremy Wright: I am happy to have the cup of tea so long as my hon. Friend stays awake. On the Cultural Development Fund, I am sorry that his constituency was not successful, but he will know that there were five successful bidders, who, we think, will be able to deliver huge advantage to their own areas. I hope that that success will demonstrate a good case for pursuing this objective, and, as and when we do, we will make sure that he and his area have the chance to bid again.

T2. [908947] **Liz Twist (Blaydon) (Lab):** Will the Secretary of State update us on the Government's consultation on the 9 pm watershed on junk food advertising on TV and on similar restrictions online?

Jeremy Wright: Yes, the hon. Lady makes an important point that this is about broadcast media and about what we can do online. We will bring the consultation forward, as we promised to do, very soon. She will recognise that considerable progress in the area to which she refers has already been made, including, of course, with the soft drinks levy, which has effectively removed 45 million kg of sugar from the diets of children in particular.

Sir Mike Penning (Hemel Hempstead) (Con): I wonder whether the Minister is aware that non-league football is in a really difficult financial position. I know that myself, as I am president of Hemel Hempstead Town Football Club. Is the Minister aware of any future money coming down the line from the premiership, which seems to be flush with money? Money is literally flowing in the transfer market. Teams galore have money flying everywhere, especially Arsenal, but it needs to flow down to non-league football.

Mims Davies: I thank my right hon. Friend for raising that concern. The grassroots is benefiting from £100 million a year in Premier League investment, and we are already in discussions with the body about ensuring that it remains at least at that level for the next three years. However, I absolutely agree that the time is right to keep looking forward to what can be done to enhance the pipeline of youngsters coming through, and to ensure that there is equal opportunity in participation so that, wherever a person comes from, they can get involved in sport.

T3. [908948] **Liz McInnes (Heywood and Middleton) (Lab):** Last week in Westminster Hall, we had an excellent debate on the possibility of having an award for towns of culture to complement cities of culture. The debate showed the level of artistic and cultural activities going on in our towns. Will the Minister say what action has been taken as a result of that debate?

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Michael Ellis): The hon. Lady is quite right: it was a very good debate in Westminster Hall. Since then, I have asked my officials to do some work with key stakeholders to consider whether this would be a valuable extension of the City of Culture. I have agreed to meet the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) and other hon. Members to discuss this further. The Arts Council England is also looking to undertake further analysis of this important area.

ATTORNEY GENERAL

The Attorney General was asked—

Money Laundering

1. **Michael Fabricant (Lichfield) (Con):** What assessment he has made of the effectiveness of the Crown Prosecution Service in prosecuting money laundering. [908914]

The Attorney General (Mr Geoffrey Cox): The Crown Prosecution Service plays a central role in combating money laundering, terrorist financing and the pursuit of asset recovery within our criminal justice system. Dealing with illicit finance through the prosecution of money laundering offences remains a critical priority for our prosecuting agencies. Just last year, more than 1,400 convictions were sustained where it was the principal offence charged in the Crown Court.

Michael Fabricant: It seems that the Government need to get an even firmer grip on the Serious Fraud Office and the Crown Prosecution Service. Does my right hon. and learned Friend have any plans to strengthen oversight in that way?

The Attorney General: My hon. Friend must remember that the financial action taskforce in December carried out an evaluation of system responses to money laundering. Of the 60 countries assessed, the United Kingdom emerged first for having the most effective system in the world for combating money laundering. Set against that background, we can make improvements and I hope to make them through the governance changes that I am introducing. We are instituting a ministerial board, which I shall chair. We shall have a much stronger grip on information coming from the Crown Prosecution Service, and we hope to anticipate problems before they arise.

Jim Shannon (Strangford) (DUP): Will the Attorney General further outline how much money seized from criminal assets in the assets recovery scheme has been reinvested into community funds in the past year?

The Attorney General: Last year, £80.1 million was recovered by the Crown Prosecution Service, but I am afraid that I am not in a position to help the hon. Gentleman with regards to the community funds. I can undertake to write to him with those details, and I hope that he will be satisfied with that.

Soldiers and Veterans: Protection from Prosecution

2. **Leo Docherty (Aldershot) (Con):** What steps the Government are taking to protect soldiers and veterans from prosecution. [908915]

The Attorney General (Mr Geoffrey Cox): The Government are unstinting in their admiration and gratitude for the work of the armed forces. We expect the highest standards of our service personnel, and the overwhelming majority meet those expectations, serving with great honour and distinction. The Government are taking very seriously the concerns that have been expressed by this House about investigations and prosecutions of veterans in historical operations. The Secretary of State for Defence, the Secretary of State for Northern Ireland and I are looking carefully at the measures available to us, and we shall be making announcements during the course of this year.

Leo Docherty: Does the Attorney General agree that we need urgently to derogate from the European convention on human rights? Apart from anything else, it is the right thing to do. It is also on page 41 of the Conservative party manifesto, and there is clearly overwhelming public support for protecting our soldiers and veterans from legal pursuit.

The Attorney General: I can confirm that we shall give consideration to a derogation from the convention before future military operations commence. That will necessarily depend on the nature of the operation, and the circumstances and facts of the activities that we are contemplating, but it will now be a consideration that will be taken into account before any military operation.

Gavin Robinson (Belfast East) (DUP): The writ of the Attorney General runs large, but it does not extend to Northern Ireland in criminal matters, where he features as the Advocate General. Will he give a commitment today that any scheme that is brought forward to protect our service personnel extends to them, wherever they should live in this United Kingdom?

The Attorney General: I can give the hon. Gentleman that confirmation. No area of the United Kingdom can be left out; plainly that would be wrong. As he knows, that does not mean that there may not be particular considerations peculiar to Northern Ireland that have to be taken into account, and I am in discussions with the Secretary of State for Northern Ireland about those considerations.

Sir Mike Penning (Hemel Hempstead) (Con): Is the Attorney General aware that servicemen of my age who served in Northern Ireland through the '70s will be petrified about the fact that there is a letter about future prosecutions coming down the line, even though they were investigated decades ago? We need to move forwards so that this House decides whether our veterans are protected in the same way as it seems this House protects terrorists that were out there then.

The Attorney General: As my right hon. Friend knows, I have the greatest respect for all those who have served in our armed forces. My own family were an armed forces family, and I am acutely anxious to resolve this question to the satisfaction of this House. The measures that we have in mind would not be peculiar to one area of the United Kingdom, would be comprehensive and, I hope, would give dignity, peace of mind and assurance to all those who have served in our armed forces. We are anxious to make announcements as soon as possible.

Domestic Abuse: Prosecution Rates

3. **Daniel Kawczynski (Shrewsbury and Atcham) (Con):** What recent discussions he has had with the CPS on improving prosecution rates for domestic abuse. [908916]

The Solicitor General (Robert Buckland): Dealing with domestic abuse is a top priority for the Government, and I regularly engage with the CPS on this subject. The CPS wants to ensure that every victim of domestic abuse has full confidence in the justice system. Only last month it unveiled a best practice model developed in partnership with the police and the Courts Service to help victims through the criminal justice process.

Daniel Kawczynski: I thank the Minister for that answer. What success has the Crown Prosecution Service had in prosecuting controlling and coercive behaviour as a feature of domestic abuse?

The Solicitor General: My hon. Friend raises a very important point. Since we introduced the law on coercive control several years ago the number of charges continues to increase. In 2016-17, 309 charges were brought, but last year that trebled to 960.

Louise Haigh (Sheffield, Heeley) (Lab): One of the main barriers to victims of domestic abuse and rape coming forward is the fear of having to hand their entire lives and personal information over to the defence. What steps is the CPS taking to ensure that victims are reassured that disclosure is appropriate and proportionate, and that victims are not asked to sign away their privacy?

The Solicitor General: The hon. Lady raises a very important point. Several months ago, the Attorney General and I issued a new paper on disclosure, and that will be followed by revised guidelines this year. We

are acutely conscious of the need to balance the interests of justice not just in favour of defendants but in favour of victims. A blanket approach to disclosure is not something we encourage; it will depend on the facts of the case. I am glad that the number of cases that are being dropped because of issues with victims continues to fall, and I think that is a sign of progress.

Nick Thomas-Symonds (Torfaen) (Lab): The latest figures published by the Home Office show that only 1.9% of recorded rapes are prosecuted. Baroness Newlove, the Victims' Commissioner, said:

"I am often hearing from victims of sexual crime that their criminal justice journey is as harrowing as the crime itself. This is just not acceptable. I fear we are letting these victims down badly."

She is right, isn't she?

The Solicitor General: The hon. Gentleman will be interested to know that only last week I met Baroness Newlove and discussed these very issues. It is vitally important that colleagues in the Ministry of Justice and across Government understand that the journey for victims in cases like this can be an extremely tough one. That is well understood. That is why the agencies are now working together to ease that journey. I do not pretend that the task is easy or that the job is anywhere near finished, but the commitment is there, and we will continue to work to support victims of rape.

Nick Thomas-Symonds: I do not dispute the Solicitor General's worthy intentions in this, but we have a situation where two in 100 reported rapes are reaching prosecution. It is a quite appalling statistic. First, he must acknowledge the impact that spending cuts have had on the ability to investigate these offences. Secondly, he should acknowledge that piecemeal change is no longer enough—the time has come for drastic action.

The Solicitor General: With respect to the hon. Gentleman, he must not forget that independent prosecutors have to apply evidential tests and it will not always be the case that complaints will merit a prosecution. I wholly reject his suggestion that expenditure cuts have resulted in a decrease in prosecutions. Expenditure is not an issue when it comes to the prosecution of offences, and never will be.

Knife Crime: Prosecution

4. **Bob Blackman** (Harrow East) (Con): What recent discussions he has had with the CPS on improving prosecution rates for knife crime. [908917]

The Solicitor General (Robert Buckland): I engage regularly with the CPS, and we recognise that this issue is a growing national priority. Prosecution rates have been rising year on year for knife crime. Between 2013-14 and 2017-18, there has been a 33% increase. The Offensive Weapons Bill now making its way through this House will tighten the law around the sale, delivery and possession of knives.

Bob Blackman: I congratulate my hon. and learned Friend on not only talking to the CPS about changing the sentences on knife crime but actually taking action and going to the Court of Appeal to make sure that an

unduly lenient sentence has been lengthened to three and a half years' imprisonment, quite rightly. What action can he take to make sure that the courts understand their duty to imprison people who are guilty of knife crime?

The Solicitor General: My hon. Friend raises a serious London case, and as a London MP, he is a passionate campaigner against knife crime. I warmly welcome the decision of the Court of Appeal yesterday to increase the sentence in that case. Lord Justice Leveson, the president of the Queen's bench division, was clear in his approach, stating:

"There can never be any excuse for carrying a weapon of the type this offender carried"

and that the courts must impose "substantial and effective" sentences on those convicted.

Internet Trolling: Prosecution Rates

5. **Danielle Rowley** (Midlothian) (Lab): What steps the CPS is taking to improve prosecution rates for offences related to internet trolling. [908918]

12. **Liz Twist** (Blaydon) (Lab): What steps the CPS is taking to improve prosecution rates for offences related to internet trolling. [908925]

The Solicitor General (Robert Buckland): I recognise that internet trolling can have devastating effects on victims, and where an offence has been committed, the CPS response will be robust. The number of prosecutions commenced for offences under the Communications Act 2003 and the Malicious Communications Act 1988 has increased by over 20% in the last three years, and last year the CPS published revised guidelines on prosecuting cases involving communications sent via social media.

Danielle Rowley: We all know in this job how harrowing and tough trolling and online abuse can be. When I visit schools in my constituency, young people tell me that they not only experience a lot of online abuse but see it happening to people in jobs that they might aspire to and worry about the level of abuse they might face if they went into such jobs. What is being done to ensure that online abuse is given the serious treatment that other types of abuse is given, so that people can see that it will not be taken lightly?

The Solicitor General: The hon. Lady is right to point to the concern about the younger generation being disincentivised from coming forward, particularly into public service. That should worry us all as parliamentarians and legislators. I can reassure her that the CPS has worked hard to develop new guidance for prosecutors, which makes it clear that online abuse is just as bad as offline abuse; there is no distinction in law. Where communications amount to credible threats of violence, prosecutions will commence. I know that Members are concerned about the balance between freedom of expression and prosecutions, and I assure the hon. Lady that that matter is very much in my mind as we develop further guidelines to assist not only parliamentarians but everybody in public life.

Liz Twist: On 8 January, the Petitions Committee produced its report, “Online abuse and the experience of disabled people”. Will the Solicitor General look at that report and ensure that every step is taken to prosecute cases of online abuse against disabled people?

The Solicitor General: The hon. Lady may know that I have a particular passion about combating disability hate crime. I have met disability organisations in her region—the wonderful north-east—and learned a lot from them about the importance of ensuring that they have the confidence to report crime. I have read the Petitions Committee report. It is excellent, and I am noting in particular the actions that the CPS needs to take.

Tom Pursglove (Corby) (Con): Does the Solicitor General agree that, while robust action is needed through the courts and the CPS, there is also an enormous responsibility for those who hold public office and offices that command responsibility to call this sort of behaviour out?

The Solicitor General: My hon. Friend is right. There can be no moral relativism when it comes to abuse, whatever type it may be and from whatever quarter it comes.

Hunting Act: Prosecution Rates

6. **Justin Madders (Ellesmere Port and Neston) (Lab):** What assessment he has made of the effectiveness of the CPS in prosecuting offences under the Hunting Act 2004. [908919]

The Solicitor General (Robert Buckland): Each CPS area has a Crown prosecutor dedicated to act as a wildlife, rural and heritage crime co-ordinator, to ensure that the specialist knowledge needed to prosecute such offending is readily available. Co-ordinators work closely with specialist officers from local police forces and from the National Wildlife Crime Unit, to ensure a robust CPS response.

Justin Madders: I am disappointed that I did not hear from the Attorney General, because I wanted to hear about his recent field visit to a hunt, where I am sure the law was perfectly observed. The Solicitor General will be aware that there have been many reports up and down the country over the Christmas period of transgressions of the law. The public expect the law to be enforced in full. Is it not time we strengthened the Hunting Act?

The Solicitor General: I assure the hon. Gentleman that the Law Officers do not condone or in any way consent to lawbreaking—that is clear. Where there is evidence of a breach of the Hunting Act and unlawfulness, that evidence will be used to prosecute.

Leaving the EU: Priorities

7. **Patrick Grady (Glasgow North) (SNP):** What recent assessment he has made of the effect of the UK leaving the EU on the priorities for his Office. [908920]

9. **Peter Grant (Glenrothes) (SNP):** What recent assessment he has made of the effect of the UK leaving the EU on the priorities for his Office. [908922]

11. **Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP):** What recent assessment he has made of the effect of the UK leaving the EU on the priorities for his Office. [908924]

The Attorney General (Mr Geoffrey Cox): In relation to the United Kingdom’s withdrawal from the European Union, my priority is to support the delivery of the Government’s objectives. That includes giving legal and constitutional advice within the Government on our international negotiations and treaty obligations, the programme of domestic legislation to implement the consequences of exit, and of course supporting preparations for future international co-operation between the law officers departments and with prosecution and other criminal justice officers.

Patrick Grady: I suppose we should congratulate the Attorney General on his appointment to the glorious new negotiating troika that is going to solve in the next two weeks all the problems that the Government have not been able to in the past two years. During that time, how open will he be with the House about the legal advice that he is providing so that we can make informed decisions about the new deal that is going to be negotiated—or will we have to keep dragging him kicking and screaming to the House through Humble Addresses and other procedures to get that information out of him?

The Attorney General: I have already said to the House that in future, on matters of law that are particularly relevant to the House’s consideration, I and the Government will consider releasing advice that has been given on these questions. I will not give any guarantee in advance, but let me make it plain that I shall listen carefully to the House and, in so far as it is needed, I will endeavour to satisfy Members.

Peter Grant: One of the matters that the Attorney General decided was a priority was to launch a case in the Supreme Court challenging the legal competence of the Scottish Parliament, which has just passed the Continuity Bill. Not only did the Government delay that by taking that action but they then mounted a retrospective power grab through the unelected House of Lords to remove from the elected Parliament of Scotland the power to pass legislation that it had already passed. What was the cost to the taxpayers of the United Kingdom of that Supreme Court case?

The Attorney General: The Government won that case, as the hon. Gentleman quite knows. The truth is that it has gone back to the Scottish Parliament, and the system is working. It is the purpose of the referral system to delineate and demarcate the proper boundaries between the devolved Governments and Westminster. That is what the Supreme Court decided. As to the cost, I am happy to write to the hon. Gentleman if he would like me to do so.

Drew Hendry: In December a ferry contract was awarded to Seaborne Freight without competitive tender, due to extreme urgency, but the Government have known

for years about the possibility of no deal. Will he release the legal advice that permitted the Department for Transport to proceed under regulation 32?

The Attorney General: As the hon. Gentleman well knows, that is not a subject within my ministerial responsibility. The legal advice inside any Department is a matter for that Department; it does not come automatically to the Attorney General. There is an important principle of confidentiality and privilege associated with legal advice, which I hope the House will not lose. The matter that he has raised is not a matter for me; it is a matter for the Secretary of State.

Robert Neill (Bromley and Chislehurst) (Con): Does my right hon. and learned Friend agree that the most pressing practical priority for the prosecuting authorities is to secure continued access to the critical database systems available under the Eurojust criminal co-operation arrangements, and that that requires as an absolute priority achieving a deal to ensure continued data regulation alignment so that there can be lawful access to those databases?

The Attorney General: As my hon. Friend well knows, the Government are keen to establish with the European Union the closest possible security partnership for precisely the reasons that he gives.

Mr Peter Bone (Wellingborough) (Con): Can the Attorney General give a reassurance that EU citizens who live in this country on 29 March will have their rights protected, whether we have a deal or a no-deal?

The Attorney General: Yes.

Kevin Hollinrake (Thirsk and Malton) (Con): If we find ourselves in the backstop, the withdrawal agreement allows the EU to make the decision whether our trade arrangements avoid a hard border in Northern Ireland. Would a simple, workable solution for both sides be to allow an independent body to make that decision?

The Attorney General: Article 20 of the proposed Northern Ireland protocol allows already for either party to discuss and agree with the other that the backstop is no longer necessary, and that is arbitrable under the dispute resolution mechanism of the withdrawal agreement. I do not necessarily accept the characterisation that there is a veto. The European Union under the proposals would be bound by the duty of good faith and best endeavours, and it could not just decline to consider a reasonable measure put forward by the United Kingdom.

Joanna Cherry (Edinburgh South West) (SNP): May I return the Attorney General's attention to the question of Seaborne Freight? He, like me, will be well aware that if the Department for Transport has avoided competitive tendering under regulation 32 without a proper basis in law, it could face legal action. Has he been asked to advise on the matter, and how much money has been set

aside for the contingency of court action concerning the potential illegality of the procurement process and any claim for damages?

The Attorney General: The hon. and learned Lady, who is a lady of great distinction in the legal profession, knows quite well that I am bound by the Law Officers' Convention. I realise why she is trying to tempt me to give fuller answers, but I cannot disclose either the fact or the substance of any advice that I may have given. As for her substantive question, I suggest that she address it to the Secretary of State.

Oversight of Solicitors

10. **Sir Desmond Swayne (New Forest West) (Con):** Whether he has had discussions with the Secretary of State for Justice on reforms to the oversight of solicitors. [908923]

The Solicitor General (Robert Buckland): I have had regular meetings with the Secretary of State for Justice, in which we have discussed a range of policy matters including regulation of the legal professions. Legal services in England and Wales are independently regulated in accordance with the framework set out in the Legal Services Act 2007. Solicitors are regulated by the Solicitors Regulation Authority, which prosecutes solicitors and firms where necessary.

Sir Desmond Swayne: If the SRA cannot and will not compensate the EcoHouse investors, it is ripe for reform, is it not?

The Solicitor General: My right hon. Friend tempts me down a path leading to the SRA's discretion with regard to compensation. I am grateful to him for raising an important issue that concerns many colleagues in the House. I think it best that we take these matters up not just with the Ministry of Justice, but with the SRA itself.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I urge the Solicitor General to do more about solicitors up and down the country who are carrying on their business in a very strange and devious way? I have been talking to representatives of the insurance industry, and I understand that clusters of solicitors are making false claims relating to holiday insurance and whiplash. We know where those dodgy solicitors are, but the current regulation does not seem to be working. What is the Solicitor General going to do about it?

The Solicitor General: I am grateful to the hon. Gentleman for raising that issue. The Legal Services Board has currently drafted proposed new rules relating to the governance for regulators; the consultation closed last week, and new statutory guidance will be issued. However, I take the hon. Gentleman's point. Corrupt solicitors not only damage the reputation of the profession but raise insurance premiums, driving smaller firms out of business. The hon. Gentleman is absolutely right, and his point is fully understood here.

Business of the House

10.43 am

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

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

MONDAY 4 FEBRUARY—Motions relating to the draft Guaranteed Minimum Pensions Increase Order 2019 and the draft Automatic Enrolment (Earnings Trigger and Qualifying Earnings Band) Order 2019, followed by a general debate on sport in the United Kingdom.

TUESDAY 5 FEBRUARY—Motions relating to the police grant and local government finance reports.

WEDNESDAY 6 FEBRUARY—A motion relating to the appointment of the Comptroller and Auditor General, followed by motions relating to the draft Mesothelioma Lump Sum Payments (Conditions and Amounts) (Amendment) Regulations 2019 and the draft Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2019.

THURSDAY 7 FEBRUARY—A general debate on antisocial behaviour, followed by a general debate on beer taxation and pubs. The subjects for these debates were determined by the Backbench Business Committee.

FRIDAY 8 FEBRUARY—Private Members' Bills.

The House has much to celebrate this week. Yesterday, the House agreed to additional days for private Members' Bills to give more excellent Back-Bench proposals the chance to reach the statute book, and I am truly delighted that on Monday the House agreed to introduce proxy voting. The hon. Member for Hampstead and Kilburn (Tulip Siddiq) exercised the first proxy vote on Tuesday—a memorable day to do so. Today is Young Carers Awareness Day. On behalf of the House, I thank all those amazing young people whose love and care save lives. We owe them our gratitude and a commitment to do all we can to support them.

The House will know that recess dates are always announced subject to the progress of business. In this unique Session of Parliament, and in the light of the significant decisions taken by the House this week, it is only right that I give the House notice that there are currently no plans to bring forward a motion to agree dates for the February recess and that the House may therefore need to continue to sit to make progress on the key business before it.

I realise that this is short notice for colleagues and House staff, but I think our constituents would expect the House to continue to make progress at this important time. I will endeavour to provide confirmation of the sitting arrangements and business for February as soon as possible. I am very sorry for the inconvenience this will cause to colleagues, House staff and their families. Where House staff are concerned, conversations are under way to ensure that disruption is limited and that no one is out of pocket, and where Members have family, ministerial or constituency commitments, the usual channels will work hard with them to limit the inconvenience.

Valerie Vaz: I do not know whether to thank the Leader of the House for this last-minute change of plan. There is a way of doing this, particularly through

the usual channels. Is this the business—staggering from one week to the next? I cannot possibly imagine what hon. Members are going through with this announcement. The shadow Secretary of State for Education has asked me to raise this—she heard on the media that it is possible that the recess may be cancelled. What provision will be given to hon. Members for their children? It cannot be right that hon. Members have to support their children in that way without the Government stepping in and providing proper provision for it.

The House has a lot of business to get through before exit day on 29 March. Other than the withdrawal agreement, six other essential Bills need to be got through: the Trade Bill, the Immigration and Social Security Co-ordination (EU Withdrawal) Bill, the Financial Services (Implementation of Legislation) Bill, the Agriculture Bill, the Fisheries Bill and the Healthcare (International Arrangements) Bill. Will the Leader of the House confirm that there will be substantial debates during those two weeks rather than general debates, which we are seeing next week?

I want to thank the Government for one thing: for working constructively through the usual channels to ensure that the REACH regulations, which I raised last week, will be debated on the Floor of the House. Could the Leader of the House do this again through the usual channels? We prayed against the Securitisation Regulations 2018. Securitisation is really important. It is the pooling of different kinds of loans and debts wrapped up in a financial package. I am sure the Leader of the House knows how important it is, because it was widely regarded as one of the reasons for the financial crash. Not only does that piece of secondary legislation amend primary legislation—which is anathema to constitutional lawyers—but it affects criminal offences already on the statute book and transfers significant powers to the Financial Conduct Authority. The statutory instrument does not quite make it clear whether the FCA will get additional responsibilities, what they will be and whether it will get additional resources for supervision or compliance.

The Leader of the House said in business questions on 17 January that she remained confident that all statutory instruments that needed to be brought forward would be in time for exit day. She will know that 600 SI are still to be tabled. Last week, 21 were laid, which was seven short of the Government's average weekly target. On a scale of one to 10, how confident is she that the SIs will be properly debated by 29 March, given that multiple SIs are sometimes wrapped up in one package?

We have had two years of "road to Brexit" speeches. We stagger from vote to vote, from week to week. Today, we heard the Foreign Secretary make an announcement on the radio that Brexit may have to be delayed. Is that the way to run a Government—informing people outside the House before you have been informed, Mr Speaker, or before the House has been informed?

The Prime Minister said she wants no running commentary, yet now she wants to meet everyone. I am pleased to say that she met the Leader of the Opposition and the Opposition Chief Whip yesterday. First, we are told that it is the only deal in town, and now there is a renegotiation. The Government voted for their deal, and on Tuesday they voted against it. The Prime Minister has said that "nothing has changed." She is right, because the EU has said that nothing will change. Yet the Government are looking for "alternative arrangements",

[Valerie Vaz]

so could the Leader of the House give us a clue on what exactly these alternative arrangements might mean? That is important because the shadow Secretary of State for Health has said that there are shortages of epipens, Epilim, aspirin and naproxen. These are all matters of life and death, so can we have a debate on the NHS 10-year-plan?

The Leader of the House has announced a debate next week on the local government settlement. That was sneaked out on Tuesday in a written statement—

Mr Peter Bone (Wellingborough) (Con): Sneaked out?

Valerie Vaz: Yes, it was—in a written statement. [Interruption.] The Secretary of State should have announced it in the House. The shadow Secretary of State for Housing, Communities and Local Government has called it a “shoddy deal”. Councils need significantly more than a 2.8% rise, and the Local Government Association has said that councils still face a funding gap of more than £3 billion a year. We have had no information on business rates retention, on new funding for social care or on the Green Paper on adult social care. Will the Leader say when that will be published?

We need a debate on why councils are investing in commercial property. Tesco Extra has been bought for £38.8 million by East Hampshire District Council. Branches of Waitrose and Travelodge have been acquired by Runnymede Borough Council for £21.7 million. Ian Hayes from Runnymede has told me that Runnymede Borough Council had to request an increase in the council’s authorised borrowing limit to facilitate earlier purchase of property acquisitions. [Interruption.] As the hon. Member for Aldridge-Brownhills (Wendy Morton), who interrupts me from a sedentary position, will know, a B&Q store is now owned by Dover District Council. These are purchases of commercial property outside the local authorities.

I agreed with the Leader of the House when she said that it was an interesting and very important day on Tuesday. Anyone looking in *Hansard* will have seen the name of my hon. Friend the Member for Hampstead and Kilburn (Tulip Siddiq). She was able to cast her vote by proxy—it was done by my hon. Friend the excellent Member for Lewisham, Deptford (Vicky Foxcroft)—so we know it works. I am just a bit saddened by the fact that the amendment was not referred to the Procedure Committee, rather than agreed by the Government. I hope that the Government will in future refer things to the Procedure Committee so it can look at them again.

The constituent of my hon. Friend the Member for Hampstead and Kilburn, Nazanin Zaghari-Ratcliffe, who works for Thomson Reuters, is still separated from Gabriella and Richard—it is over 1,000 days. The Government must act now to free her.

Andrea Leadsom: I am grateful to the hon. Lady for her questions. As she will be aware—I have said this a number of times in the Chamber—in this Session, so far, we have introduced 46 Bills, 33 of which have received Royal Assent, with three others waiting to receive Royal Assent.

The hon. Lady asked whether we have time for all our Brexit legislation by exit day. I can absolutely assure her that my day job is to make sure, on a daily basis, that both the primary legislation and the secondary legislation are progressing through the House. That is the case and will continue to be the case. I am confident that the legislation we need to have Royal Assent—or, in the case of secondary legislation, to be made—by the 29 March will be done. On secondary legislation for Brexit, over 360 EU exit SIs have been laid to date. We are making good progress. We are under pressure, but it is all very much under control and we do expect to achieve what we need to do by 29 March.

The hon. Lady asks about statutory instruments the Opposition have prayed against. As I say consistently to the hon. Lady, the Government have a good record of providing time to debate negative SIs that are prayed against by the official Opposition when a reasonable request is made. The official Opposition prayed against six Treasury SIs very late in the praying period—in fact, the last day before they were made—and did not request a debate through the usual channels. I am afraid that is quite late in the day to be making such requests, but I will continue to consider requests that are made through the usual channels.

I am pleased that the hon. Lady is pleased that the universal credit regulations that are subject to the affirmative procedure will be debated in both Houses. She asks for a debate on the NHS 10-year plan. That is a very good idea and I will certainly take that away as a representation from her. She asks about the local government funding SI to be debated next week. She asks for a debate, which I have just announced will be next week, so I hope she is pleased that there will be a debate. She suggests that a written ministerial statement is “sneaking out” news. As far as this Parliament has always been concerned, a written ministerial statement is not sneaking out news; it is providing information to the House in a way that is entirely orderly.

The hon. Lady mentions the appalling situation for Nazanin Zaghari-Ratcliffe. The hon. Lady will be aware that my right hon. Friend the Foreign Secretary has made it a personal mission to seek to free Nazanin, so that she can get back to her husband and daughter. [Interruption.] The hon. Lady says when. I am not sure what she thinks the UK Government should do, other than to continue to make representations, as we are doing, on the grounds of human rights and the innocence of Nazanin, to have her returned home to her family as soon as possible.

Sir David Amess (Southend West) (Con): Will my right hon. Friend find time for a debate on the future of the national lottery? It was set up with the best of intentions, but it has been completely ruined by a multiplicity of games, all at the expense of small lotteries, which give so much valuable support to many charities.

Andrea Leadsom: My hon. Friend raises a very good point. He will be aware that the national lottery has raised over £39 billion for good causes since 1994. The Government are committed to ensuring both society lotteries and the national lottery continue to thrive. There was a consultation, between June and September 2018, on the proposed reform of society lotteries to try to allow society lotteries to grow by changing sales and

prize limits, while protecting the position of the national lottery. The Secretary of State for Digital, Culture, Media and Sport has said that he will respond to the consultation in the first half of this year.

Pete Wishart (Perth and North Perthshire) (SNP): I thank the Leader of the House for announcing the business for next week.

Well, who would have thought it? They actually all united, Mr Speaker. They are united around a fallacy, an illusion, a fantasy. As an exponent of the elaborate richness of the English language, Mr Speaker, you will know that there is a word for their current condition—denialism, a person's choice to deny reality as a way to avoid a psychologically uncomfortable truth. Nothing could better sum up these unicorn-chasing Tories and the way that they can interpret, "No, we will not renegotiate the political agreement" into "Yes, we will give you everything the hon. Member for North East Somerset (Mr Rees-Mogg) wants." It is denialism madness. At some point, however, the hard reality will have to catch up with this Government. Can the Leader of the House explain what happens when the Prime Minister inevitably comes back with nothing? What is the process then?

I am grateful to the Leader of the House for confirming that there will no longer be a February recess. I am sure that that has gone down like a bucket of sick with some of our hon. Friends who have already planned their holidays. What is going to happen during that week? Is it going to be Brexit-related business? Is it going to be business like the business we see for next week? What happens to departmental questions? The normal rota has already been done, so can she explain to us exactly what we will be doing for that week given that the recess is to be lost? Mr Speaker, you will remember that I asked the Leader of the House quite clearly last week whether the February recess would be cancelled. "No" was the answer, just like she told me that the meaningful vote would not be delayed just before it actually was.

I have raised the issue of the feral pack-like behaviour of Conservative Members before. Yesterday, when my right hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) was on his feet, it was simply appalling. Every mention of Scotland or Scottish sent them into apoplexy, with howls of derision even peppered with expletives. These are tribunes of the middle and upper classes. A good proportion of them went to private schools. What on earth happens in those private schools to cause behaviour such as that? The people of Scotland are watching and simply concluding that this House is not prepared to listen to us and will try to shout down every attempt to stand up for our country. We have a very elegant solution: it is called having a Government and independent Parliament of our own.

Andrea Leadsom: I am grateful to the hon. Gentleman for raising the issue of denialism. I suggest that it is the Scottish nationalists in this place who are in denial over the result of the Scottish independence referendum. It is interesting that one of my favourite newspapers, *The National*, reports that the hon. Gentleman himself is questioning the merits of a second referendum on EU membership because he feels it might harm the Scot nats' chances of a second referendum on Scottish independence. If anyone is a denialist in this place, it is him. Not only that; he is also a pessimist. It is deeply

disappointing that he is already saying that the Government's attempts will fail. If he looks carefully at what has happened in the past two and a half years, he will see that the Prime Minister's deal for withdrawing from the EU seeks to ensure that we can have our cake and eat it. We have successfully cherry-picked and done all the things that the EU said we would not do, because we will be protecting jobs and our economy at the same time as leaving the EU and fulfilling the referendum result, so he should be a bit more optimistic.

The hon. Gentleman asked about Brexit-related business during the second week of February. He will appreciate that there is a huge amount of Brexit-related business. He criticised the business for next week, but these are very important Brexit-related statutory instruments, as well as some instruments that are always debated on the Floor of the House of Commons. The House should wish to discuss those very important pieces of parliamentary businesses.

The hon. Gentleman also suggested—it was somewhat inverted-snobbery—that Members on the Government Benches have all been to private school. I am an ex-grammar school girl, and the Government side is dominated by people who have worked hard in this life and want to do something for their country. He should be ashamed for saying that, but not nearly as ashamed as his right hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) should be for his appalling remarks in the Chamber suggesting that there is anything other than a 100% commitment to the Belfast/Good Friday agreement. That was a dangerous and appalling thing to suggest, and it was completely untrue.

Theresa Villiers (Chipping Barnet) (Con): Can we have a debate to welcome today's announcement by NHS England that thousands more GPs will be recruited, and that they will have extra staff, including trained professionals such as pharmacists?

Andrea Leadsom: My right hon. Friend is absolutely right. We should all be delighted not only that the Government are making the biggest investment in the NHS in its history but that, as we heard today from Simon Stevens, the head of the NHS, with that investment, the NHS is training more doctors and nurses and, importantly, providing direct access so patients can go directly to a physiotherapist or somebody who can sort out their care needs more quickly. That will free up more time for GPs, so they can spend more time with the patients who need that.

Ian Mearns (Gateshead) (Lab): The Leader of the House will be delighted to know that I went to a good school—it was approved.

We do not yet know when time will be allocated for a day of debates on departmental estimates, but we are asking that hon. and right hon. Members submit applications for such debates by Friday 8 February. The Leader of the House will know that I always try to help her to plan ahead. With that in mind, we have a very heavily subscribed application for a debate to celebrate International Women's Day, which is on 8 March, on Thursday the 7th, if at all possible. We are anticipating an application for a debate to celebrate St David's Day, on 1 March, with a debate on Welsh issues on Thursday 28 February.

[*Ian Mearns*]

May I remind the Leader of the House that, if the recess in February is cancelled or changed, that has an impact on important appointments and events that hon. and right hon. Members have had arranged in their constituencies for months in advance? This is not just about holidays; it is about important local events.

Andrea Leadsom: In answer to the hon. Gentleman's final point, I totally agree, which is why I have apologised to Members for the fact that we are having to do this, and have made it clear that through the usual channels a lot of effort will be made to ensure hon. Members can continue to meet the needs of their constituents and so on.

The hon. Gentleman makes a bid for a debate on 1 March for St David's day. Let us hope it is not snowed off—last year or the year before the debate sadly had to be cancelled because nobody could get to it. He also mentioned International Women's Day, and I will look carefully at what we can do on both of them.

Sir John Hayes (South Holland and The Deepings) (Con): Across Britain, a trip up any road or down any street will be a chance, sadly, to see the litter—the detritus of our throwaway culture: cups and cartons, bottles and bags, from careless corporate coffee shops or feckless fast food outlets. The figures speak for themselves: according to Keep Britain Tidy smoking-related litter, alcohol-related litter and fast food-related litter are all on the increase. The Secretary of State for Environment, Food and Rural Affairs has heroically led the campaign against single-use plastic, but may we now have a debate on packaging waste? That will give us a chance to consider the cause of this problem, rather than just nailing its effect. It might also give an opportunity to consider one of the most curious facets of change in our lifetime: that we have gone from the daily delivery of milk in a bottle which was recycled to plastic cartons obtained inconveniently from distant megastores. It is time that Ernie, the fastest milkman in the west, rode again.

Andrea Leadsom: I am grateful to my right hon. Friend for the quality of his prose this morning. I am also very glad that he was able to join my fantastic Parliamentary Private Secretary, my hon. Friend the Member for Banbury (Victoria Prentis), to launch the great British spring clean recently. That will take place mainly between 22 and 24 March this year, and I encourage everyone to get out there with their hi-vis jackets and litter pickers and their local teams and to contribute.

My right hon. Friend is right to raise this issue; it is of huge concern, and always in the top three items that people in the country raise. Litter is a huge concern to all of us, and certainly it is a function of the improper use of packaging. I am very sympathetic, therefore, and my right hon. Friend might well want to seek at least a Backbench debate for all hon. Members to share their concerns.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May we have an early debate on the state of our town centres and the closure of Marks & Spencer stores? Marks &

Spencer used to be a company with high ethical values; indeed, it used to buy a lot of its materials in Huddersfield for suiting and ladies' fashions, but now its management is under a former Conservative vice-chairman and Member of Parliament, Archie Norman, who we know well from his asset stripping of Asda. We know from the involvement of his team in HBOS and other companies what they do; there is no ethical value there. May we have a debate on these asset strippers destroying our town centres?

Andrea Leadsom: The hon. Gentleman makes some very serious accusations, and I cannot share his enthusiasm for pointing at individuals and blaming them. Nevertheless, he makes an important point about the need to have thriving town centres; he is absolutely right to do that, and he will be aware that the Government are doing a lot to try to reduce and reform business rates to give our retail spaces a better chance so that we can all enjoy thriving town centres.

On the hon. Gentleman's specific point about asset stripping and the policy of big business, I encourage him to raise that directly during questions to the Department for Business, Energy and Industrial Strategy on 12 February.

Fiona Bruce (Congleton) (Con): Will my right hon. Friend update the House on her early years working group, and may I thank her for agreeing to attend the family hubs conference here in Westminster designed to promote the bonds of love within families, being held, appropriately, on Valentine's day?

Andrea Leadsom: I am delighted that my hon. Friend has raised this issue. The inter-ministerial working group I am chairing on behalf of the Prime Minister is looking at ways we can provide more support for the critical early years of a baby's life, to ensure that we have strong, socially well secured and established human beings in our society, which is absolutely vital if we are to see the society change we want to see. I was delighted recently to visit the Lambeth Early Action Partnership, and more recently to go to Manchester with the hon. Member for Manchester Central (Lucy Powell) to see the excellent work being done in family hubs and children's centres. I will be delighted to join my hon. Friend the Member for Congleton (Fiona Bruce) at the conference she mentions.

Christine Jardine (Edinburgh West) (LD): This week, we learned that there was a near miss involving a drone at Edinburgh airport in November 2016. Given that there have been two major disruptions at our international airports recently, would the Leader of the House consider granting a debate on this issue, which is a matter of great public concern?

Andrea Leadsom: The hon. Lady is absolutely right to raise this serious and concerning issue. She will be aware that there has been an urgent question on the subject. There is in fact a business in my constituency that is seeking to provide a solution to this problem, so I have a personal interest in it. She will be aware that we have Transport questions on 14 February, and I am sure that Ministers will update her then.

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): Exeter city has just brought out an excellent report looking ahead to the security and growth of the city centre over the next 20 years. Across the border, however, my county town of Taunton is more like Aleppo than anything else. Following the request from the hon. Member for Huddersfield (Mr Sheerman), may we please have a debate—in this place in Government time—on how town centres must look forward to visionary experiences as opposed to looking back to what has happened in history?

Andrea Leadsom: My hon. Friend is absolutely right to say that local authorities and local enterprise partnerships need to plan properly for the thriving future of their town centres and regions. He makes a good point, and I would encourage him to seek an Adjournment debate so that he can raise his particular issues.

Paula Sherriff (Dewsbury) (Lab): I have been contacted by a group of women in my constituency who have been adversely affected by changes to their state pension age. They are struggling to make ends meet, and it is not good enough for the Government to keep saying that nothing further can be done for them. May we have a debate on this important issue in Government time so that we can try to reach consensus on how we can support these women?

Andrea Leadsom: The hon. Lady will be aware that the Government have listened carefully to the concerns of that particular group of women. It was right to equalise the state retirement age, and the Government have taken steps, including committing more than £1 billion, to support those who were worst affected, so that no one will see their pension age change by more than 18 months, relative to the Pensions Act 1995 timetable, and that those with the most significant changes will receive at least seven years' notice.

Maggie Throup (Erewash) (Con): Last week, I held a Westminster Hall debate on the contribution that the furniture industry makes to our economy, in which Members from across the House highlighted the important role played by their small and medium-sized furniture manufacturers. Following on from that, may we have a debate in Government time on the importance of supporting SMEs across all industries?

Andrea Leadsom: I pay tribute to my hon. Friend for the work that she does as chairman of the all-party parliamentary furniture industry group. She is right to stress the importance of SMEs to our economy, and she will be aware that small businesses are being supported with new investments, as part of our modern industrial strategy, to boost their productivity and ensure that they continue to thrive. I can tell her that 15 projects from around the United Kingdom have won a share of the £2 million business basics fund, which is part of our modern industrial strategy.

Vernon Coaker (Gedling) (Lab): It is absolutely unbelievable that the Home Secretary has announced a knife crime initiative this morning in the papers and on the radio. Where was his statement to this House? Why is he not here to address this House about one of the most crucial things facing our constituents up and down

this country? Only a couple of days ago, a police chief told the Home Affairs Committee that 10,000 children were being exploited and used in county lines. Knife crime is rampant and young people are being slaughtered. Where is the Home Secretary? The Leader of the House wrote to him two weeks ago to express the concern raised by all Members across the House about this issue. Where is he? How can he announce this in the papers and on the radio? That gives us no opportunity to ask him about the progress of the serious violence strategy. I say to the right hon. Lady that this is an absolute disgrace, and that the people of this country will not understand why, in the face of this national emergency, the Home Secretary has gone missing.

Andrea Leadsom: I share the hon. Gentleman's grave concern, and he is absolutely right to raise the concerns of all right hon. and hon. Members about the appalling spike in knife crime. My right hon. Friend the Home Secretary was talking about an amendment to the Offensive Weapons Bill that was laid yesterday. He wrote to Opposition Front Benchers, and I have asked him to send a copy of the letter to the hon. Gentleman. All Members will be aware that the matter has been discussed for some considerable time, and the new deterrent in the form of knife crime prevention orders is in effect trying to prevent young people from getting into a life of knife crime.

Mr Speaker: I thank the Leader of the House very much for what she has said, which does at least explain the chronology of events. However, for the avoidance of doubt, let it be clear that it is utterly discourteous to the House of Commons for an important initiative to be announced outside of this Chamber by means of media interviews. The fact of which the right hon. Lady has helpfully informed us—that the Home Secretary wrote to shadow Ministers—is of interest, but in terms of the priority of a statement in the House, it is frankly neither here nor there. The way in which Ministers are held to account is by interrogation in this Chamber. Simply writing a letter to an opposite number and then beetling off to do a radio or television interview will not do. It is simply not up to the required standard.

I say to the hon. Member for Gedling (Vernon Coaker), who is one of the least partisan Members of this House and is naturally collaborative by instinct, that if a Minister does not come to this Chamber to announce a policy when he or she should, there are well-established means by which to ensure the presence of a Minister at the first parliamentary opportunity thereafter. If Members seek such an opportunity, it will be provided. Among other things, we will all be interested to know what possible credible explanation for the conduct can be proffered to the House by a Minister. In the absence of a credible explanation, what of course is required is an unqualified apology.

Sir Mike Penning (Hemel Hempstead) (Con): As colleagues around the House know, I am also not enormously party political, and I completely agree with the hon. Member for Gedling (Vernon Coaker) that the House should have been informed.

There is one issue that is bringing this House into disrepute today, and that is the fact that a Member of this House is in prison and continues to be an MP. My

[Sir Mike Penning]

constituents and other constituents around the country do not understand how someone can be convicted and go to prison and yet still be a Member of this House. The police officers who protect us here would lose their pensions and lose everything. Something is seriously wrong, so can we have a debate—in the time that it seems we now have—and change the law to ensure that if someone goes to prison, they will not be in this House, so that the public can believe that what we do is right?

Andrea Leadsom: My right hon. Friend is quite correct that it is unacceptable for the residents of Peterborough that their Member of Parliament is unable to represent them. Not only is she physically unable to represent them, but she is choosing not to do what I think all right hon. and hon. Members would say is the right thing to do.

Under the Recall of MPs Act 2015, an MP becomes subject to the recall petition process if they are convicted of a criminal offence in the United Kingdom and receive a custodial sentence, including a suspended sentence, which is not the case here. In the event of a criminal conviction, the recall condition will not be met unless the appeal period expires without the conviction, sentence or order having been overturned on appeal. What that means in layman's terms is that the recall petition process will not be triggered until all appeals are finalised. I agree with my right hon. Friend that it would be right for that Member to stand down to allow her constituents to choose a new Member of Parliament.

John Spellar (Warley) (Lab): I am not sure the Prime Minister will share the enthusiastic call of the Leader of the House for the citizens of this country to come out on to the streets in hi-vis jackets after the example we have seen in France.

More immediately, yesterday's Supreme Court ruling on the Disclosure and Barring Service means that the Government should urgently correct the blight that is ruining so many lives, often for minor offences committed many years before. Given the limited nature of next week's business, will the Government take the earliest opportunity to end this scandal? That would have support on both sides of the House, and it would transform the lives of so many and enable them to contribute to the economy and to society.

Andrea Leadsom: On the right hon. Gentleman's first point, I think we would call them the "gilets verts" because they are a green version of the gilets jaunes. Perhaps we could rebrand it and have a positive form. He makes a serious second point, and he is right to raise the issue. I urge him to take it up at Justice questions on Tuesday 5 February.

Douglas Ross (Moray) (Con): Can we have a debate on unique foods? Last week, as many of us celebrated Rabbie Burns, Sheila Gray of Fochabers ice cream parlour in Moray, in her own nod to the bard, was creating a new variety of ice cream that blends whisky, tattie scones and haggis. Will the Leader of the House join me in congratulating Sheila on this latest imaginative

variety, particularly as a loyal customer, 84-year-old Charlie Armour, described the ice cream as "better than sex"?

Andrea Leadsom: Well, with 84 years of experience, I am sure Charlie would know. I am not sure it would be my first choice of flavour, but I guess it would have to be tasted to be believed. I understand that Sheila attracts customers from far and wide, and I am sure the ice cream parlour is a fantastic tourist attraction. On top of that, I believe she is a tireless fundraiser in the local community. Our thriving food and drink sector contributes almost £30 billion to our economy, and we have people like Sheila to thank for that. Congratulations to her for her extraordinary new invention, and I hope to try her creations for myself one day.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): I am sure we all have many cases involving Child Maintenance Service maladministration. The issues are legion, but one example involves the CMS being informed of an ex-partner being in work in September 2016 and the CMS taking until December 2017 to confirm the employment, but by May 2018—after nearly two years—still no payment had been made. Can we have a debate on this important issue so that Ministers can hear just how badly this organisation is run?

Andrea Leadsom: The hon. Gentleman raises a concerning issue that has arisen in his constituency, and he is right to do so. If he would like to write to me, I can take it up with the Department for Work and Pensions on his behalf, or he might like to seek an Adjournment debate to discuss his more general concerns.

Bob Blackman (Harrow East) (Con): Rough sleeping is the visible sign of homelessness, and the rough sleeping figures should be announced today. I am waiting to see what the figures look like, but it cannot have escaped anyone's attention that the temperatures in this country are plunging. Can we have a statement from the Secretary of State for Housing, Communities and Local Government on what he is doing to ensure that not only do we deal with rough sleeping but that we safeguard people so that they do not die on our streets in this terrible weather?

Andrea Leadsom: My hon. Friend has been an advocate for doing more on homelessness for a very long time, and I pay tribute to him. It is so cold outside now, and he is right that we have to do everything we can to make sure people have somewhere warm and safe to sleep. He will be aware that the Government have made this a domestic priority, and I believe the homelessness Minister, my hon. Friend the Member for South Derbyshire (Mrs Wheeler), visited a night shelter just two days ago and has made it her priority to see the homeless numbers dropping as soon as possible.

I have been working with the Director General of the House of Commons to ensure that the homeless people sleeping outside Parliament are better cared for and helped to find night shelters. It is, of course, a very difficult and challenging problem with many facets. Even in cases where night shelters are provided, sometimes homeless people do not want to use them, but my hon. Friend is right to keep raising the issue. It is a big priority for the Government to see those numbers halved and eventually eradicated.

Diana Johnson (Kingston upon Hull North) (Lab): First, let me thank the Leader of the House and the Backbench Business Committee for allocating, on 7 February, a debate on antisocial behaviour, because that is a growing problem in many constituencies.

I wish to raise with the Leader of the House the concern of a number of people who took seasonal work in Hull, and around the UK, with Grotto Hire UK as Santa's little helpers before Christmas. They learnt this week that they have lost thousands of pounds in pay because the owner of the Hull-based company, Tony Jennings, has put two of his companies into liquidation to avoid paying staff and suppliers. He now refuses to take calls from the staff he employed. Should not the Government allocate time for a debate on who is a fit and proper person to set up a company, and on ending the spiv practice of putting companies into liquidation, in suspect circumstances, and running off with the takings, only to open up another company with another name?

Andrea Leadsom: The hon. Lady is right to raise this issue; I have seen similar situations arise in my constituency. It is a huge concern that some people seem determined deliberately to rip off those who have given of their time and their work, and then seek to open a different company and, in effect, steal these workers' pay. That is an appalling practice. She might like to seek an Adjournment debate to raise these issues. Alternatively, I encourage her to raise them at Department for Business, Energy and Industrial Strategy questions on 12 February.

Dr Matthew Offord (Hendon) (Con): As the owner of Maximus, I welcomed the Government's introduction of animal welfare regulations last October. However, many doggy day care services and boarding kennels, such as Waggingtons in my constituency, are worried that the regulations are over-complex and risk putting such companies out of business. Will a Department for Environment, Food and Rural Affairs Minister come to the Dispatch Box to explain how the regulations were put together and what dialogue will take place with doggy day care providers? Will a Minister explain to these people how they are able to work within the regulations without being put out of business?

Andrea Leadsom: My hon. Friend rightly recognises the high animal welfare standards that we have in this country, and we are committed to continuing to be among the best in the world in our commitment to animal welfare. I encourage him to write to DEFRA Ministers seeking further clarification. Alternatively, if he wishes to write to me, I will take the matter up directly with the Department on his behalf.

Anna Turley (Redcar) (Lab/Co-op): May we have a debate in Government time on fairer funding for northern constituencies, particularly those with a former coalfield history? I was shocked to see the front page of *The Times* today suggesting that Members of this House would be offered bribes or sweeteners if they sign up to the Prime Minister's deal, which we know will make those constituencies worse off. Given that the Government have taken £6 billion out of northern constituencies, is it not time that they held a proper debate on fairer funding for the north, instead of offering bribes and pork barrel politics?

Andrea Leadsom: This Government have shown a huge commitment to the north—through the northern powerhouse, the city deals, the devolution deals and the establishment of Mayors in some of our great northern cities. The Government have invested more than a quarter of a trillion pounds in infrastructure since 2010 through public and private investment, and the public investment part of that is 14% higher, on average, than the figure under Labour. We have invested in the biggest rail programme since Victorian times and the largest road building programme since the 1970s, and much of that is focused on our northern towns and cities. I just do not think it is reasonable for the hon. Lady to suggest that nothing has been done for the north; there has been increased employment, increased investment and increased opportunities.

Mr Peter Bone (Wellingborough) (Con): Following on from what the Leader of the House has said, there is great news in Wellingborough, where we have the electrification of the midland main line and big improvements on the Chowns Mill roundabout on the A45. There is, however, one slight problem: bridges need to be demolished to get the electrification done. As she is a Northamptonshire MP, she will know that one cannot go from the M1 to the east coast without going along the A45, but that is going to be closed westbound for nine months and the local bridges in my constituency have been demolished. Unless this is sneaky plan to keep me stuck in Wellingborough until after Brexit day, will she sneak out a written statement on Monday about how we are going to deal with this chaos?

Andrea Leadsom: I hope my hon. Friend is not suggesting for a moment that he would not love to be trapped in Wellingborough until after Brexit day; it is a very nice place, after all, and I would happily come to visit him there. He will be aware that we have Transport questions on 14 February, when he might like to take up this issue. I share his concerns, which are specific to Northamptonshire, and he might also like to seek an Adjournment debate.

Stephanie Peacock (Barnsley East) (Lab): Whether it is regarding the failure to send cervical screening letters to more than 50,000 women, the inhumane approach to personal independence payment assessments, or the failure to bring in 90% of the recruits our Army needs, the disastrous shortcomings of Capita are all too clear, so may we have an urgent debate in Government time on the failure of the Government's privatisation strategy?

Andrea Leadsom: Concerns have been expressed about Capita, and the hon. Lady will be aware that the Cabinet Office has significantly changed the arrangements for monitoring the way in which Government contracts are fulfilled. That work has been very important and remains ongoing. The hon. Lady raises some specific issues, which I encourage her to raise at Cabinet Office questions on 6 February. She might also perhaps seek a Westminster Hall debate so that all Members can discuss their own concerns.

Chris Davies (Brecon and Radnorshire) (Con): My local Brecon and Radnorshire branch of the Royal Agricultural Benevolent Institution, under its capable chair, Mrs Elaine Stephens, and her hard-working team,

[Chris Davies]

carries out tremendous work for farmers and farm workers who have for various reasons fallen on hard times. Will my right hon. Friend grant time for a debate on what more can be done to encourage such worthwhile and valued charities as RABI?

Andrea Leadsom: I pay tribute to Elaine. As a former Secretary of State for Environment, Food and Rural Affairs, and someone who represents a rural constituency, I know at first hand how hard farmers work and how much they need our support at times. I am aware of the amazing work carried out by the Royal Agricultural Benevolent Institution, and know that my hon. Friend the Minister for Agriculture, Fisheries and Food met representatives of farming charities, including RABI, just last November to discuss how they were supporting farmers in the aftermath of the 2018 drought. It is vital that we continue to work to support farmers as we leave the European Union, and I certainly look forward to the opportunities that will result for our farmers and food producers.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Over the past few weeks, I have been contacted by several citizens advice bureaux advisers who are experiencing increased delays when they call the employment and support allowance helpline. I am told that delays of more than half an hour and up to an hour are a daily and commonplace occurrence. I am sure that the Leader of the House will agree that this is unacceptable, given the pressure her Government are putting on these agencies. May we have a statement on the performance of this so-called helpline?

Andrea Leadsom: The hon. Gentleman raises a concerning issue of which I am not personally aware from my own constituency case load. I encourage him either to table a parliamentary question, or to seek an Adjournment debate so that he can raise the issue directly with Ministers.

Chris Green (Bolton West) (Con): The Leader of the House is right to highlight the Government's powerful devolution agenda, including in respect of public transport, especially local bus services. Unfortunately, there has been no progress on this policy area in Greater Manchester; in fact, the local Labour leadership is slashing 33 bus services across Greater Manchester. In the run-up to the local elections in May, may we have a debate on how people can hold their local politicians to account?

Andrea Leadsom: My hon. Friend is a strong voice for his area and raises a good point. The Greater Manchester combined authority and the Mayor have all the powers to initiate improvements to local bus services, thanks to our Bus Services Act 2017. The Greater Manchester Combined Authority (Functions and Amendment) Order 2019 will mean that clear responsibility for bus reform and funding lies with the Mayor, whom local people can hold to account. That is a further step in our powerful devolution agenda. With that order, we will have completed the suite of mayoral powers that we promised as part of the original devolution deal, which unlocked £900 million of Government investment in Greater Manchester's infrastructure.

Kate Green (Stretford and Urmston) (Lab): Will the Leader of the House arrange a statement to update us on progress in implementing the recommendations of the Dame Laura Cox report into bullying and harassment?

Andrea Leadsom: The hon. Lady gives me the opportunity to inform Members that the House Commission met to discuss progress on the Cox recommendations just last Monday. There is progress. The key recommendations have all been committed to by the House Commission. Work is under way to establish an informal group that will meet to discuss how to remove Members of Parliament from the responsibility of measuring each other's transgressions. Further work is under way both on the six-month review of the independent complaints procedure and on Laura Cox's recommendations on how to ensure that historical allegations can be brought before the independent complaints procedure. I will update the House further as soon as I am able to do so.

John Lamont (Berwickshire, Roxburgh and Selkirk) (Con): Many parts of the country are struggling with difficult winter weather conditions. Will the Leader of the House join me in paying tribute to the council workers who drive gritters and the health services who keep people safe, and may we have a statement on what we can all do to keep vulnerable elderly and disabled people safe during these difficult winter conditions?

Andrea Leadsom: My hon. Friend raises an important point. Winter weather does draw our attention to parts of society that come under the most pressure—from hospitals all the way through to people experiencing loneliness and isolation. I join him in praising all those in local services who have worked hard all year to prepare for winter. He will be aware that Ministers across a number of Departments support the work of local resilience forums that are dedicated to ensuring that local areas are ready for all kinds of weather-related incidents. Of course, at this time of year, we should all be mindful of our most vulnerable neighbours, particularly elderly and disabled members of our community who are living in rural or isolated parts of the country.

Lilian Greenwood (Nottingham South) (Lab): Yesterday, the Transport Committee heard evidence that the underfunding of local authorities that are responsible for administering the older people's concessionary bus pass has led to the loss of vital services. This morning, in departmental questions, many hon. Members raised their concern that pushing responsibility for free TV licences for the over-75s on to the BBC will inevitably lead to vulnerable people losing a much-valued benefit. May we have time for a debate on how this Government are wilfully undermining the measures that Labour introduced to improve the lives of older citizens, and to tackle precisely the social isolation that the Leader of the House was just talking about, while trying to dodge responsibility for the cuts?

Andrea Leadsom: The hon. Lady will be aware that we have Transport questions on 14 February at which she can raise the very important point about bus services. In particular, the Government have done a significant amount to invest in ensuring that we have decent bus networks, and it is for local authorities to ensure that

that provision is made. With regards to her point about BBC TV licences, the BBC is an independent institution. We have just had Digital, Culture, Media and Sport questions, and I hope that she raised that directly with Ministers. She raises an important point, and if it was not raised then, I encourage her to seek another opportunity such as an Adjournment debate.

Jeremy Lefroy (Stafford) (Con): As the Prime Minister's trade envoy to Ethiopia, I have seen at first hand the vital work that is done by aerospace companies such as Airbus, Rolls-Royce and Bombardier in boosting British exports and investments in that country. Can we have a debate on the importance of the aerospace industry so that we can give credit to the leadership and the workforce of Airbus, Rolls-Royce, Bombardier and many other companies for the work that they do on behalf of the United Kingdom, on behalf of our exports and on behalf of our economy?

Andrea Leadsom: I certainly agree with my hon. Friend that the aerospace sector is an absolutely vital part of the UK economy. I join him in thanking those companies for the excellent work that they do to support other economies around the world such as Ethiopia's. He might like to raise his specific point at Business, Energy and Industrial Strategy questions on Tuesday 12 February.

Kevin Brennan (Cardiff West) (Lab): We already know from the Prime Minister that the business on 14 February will be further votes on Brexit. May I just say to the Leader of the House that Valentine's day is a bad day on which to organise a break-up? In the meantime, can we at least make it clear that we will rule out a no-deal Brexit?

Andrea Leadsom: I must say that I do like the way that the hon. Gentleman raises the subject of love at every possible opportunity, and I think he is right to do so—let us hope that this Chamber can learn a bit of that in time for Valentine's day. We will, of course, have the opportunity to enjoy the Prime Minister coming back for a second meaningful vote as soon as possible. Just to be clear, if we have not brought a revised deal back to this House by Wednesday 13 February, we will make a statement and again table an amendable motion for debate the next day.

Martin Whitfield (East Lothian) (Lab): Two weeks ago, I raised the question of the WASPI women and the forthcoming court case that led to the closure of a significant number of cases by the Independent Case Examiner. The Leader of the House kindly said that I could write to her. Since then, the matter has become even more complex, with a letter from the Pensions Minister to the Chair of the Work and Pensions Committee that came out only yesterday. The confusion now is that women who have received a closure letter from the ICE do not know whether their case may be reopened—depending on the case, on what happens and on what the court decides—or whether it has in fact been closed by assessment. May we have an urgent statement to try to clarify the situation, which is causing great confusion and distress among a significant number of women? My hon. Friend the Member for Gower (Tonia Antoniazzi) has secured today's Adjournment debate, in which this

matter may well be raised, but I also think it should be addressed with a statement to clarify the situation for everyone.

Andrea Leadsom: The hon. Gentleman is right to raise this issue and his understanding of the situation. I encourage him to participate in the Adjournment debate secured by the hon. Member for Gower (Tonia Antoniazzi) later today. If he then wants to write to me, I can take up the matter with the Department for Work and Pensions on his behalf, or he can write directly to the Department himself.

Tonia Antoniazzi (Gower) (Lab): Is the Leader of the House aware of alarming reports that the Food Standards Agency is to restrict the supply of cannabidiol products in the UK? Any such move would risk the supply of higher strength CBD products to a number of seriously ill patients who are waiting for medicinal cannabis. Will the Leader of the House seek assurances from the Health Secretary that this is actually not the case?

Andrea Leadsom: I am very sympathetic to the hon. Lady's point. If she would like to write to me, I can certainly raise her concerns with the Secretary of State for Health.

Alan Brown (Kilmarnock and Loudoun) (SNP): The UK Government believe that there has been widespread abuse of the IR35 rules, even though only a minority of companies and individuals have ever been found to be in breach of the rules, and HMRC has lost cases against its own contractors. I have a constituent who operates as a self-employed IT consultant. Most of his work is in England, but under the new rules that the Government are introducing, any reimbursement that he gets for necessary flights and hotels will be treated as taxable income. This means that his business model will fail or that he will have to move from my constituency down to England. His overheads have already increased because of the additional insurance needed against any spurious HMRC investigations. Given that the Tories are supposed to be the party that protects entrepreneurs, can we have a Government statement or a debate—and possibly a rethink—on the impact of these rules changes?

Andrea Leadsom: The hon. Gentleman is raising a tax issue that is specific to his constituent, and he is right to do so in the Chamber. However, I encourage him either to seek an Adjournment debate or to table a parliamentary question to Ministers, as it is not a matter to which I can respond from the Dispatch Box today.

Liz McInnes (Heywood and Middleton) (Lab): This week we should have had a debate in Westminster Hall on the regulation of non-surgical cosmetic procedures, but sadly it was cancelled because of the illness of the hon. Member for South Leicestershire (Alberto Costa), who would have been leading the debate—I send him my best wishes for a speedy recovery. People continue to suffer adverse effects as a result of the unregulated administration of cosmetic products by non-medical practitioners. May we have an urgent debate in Government time to discuss putting an end to this corrupt practice?

Andrea Leadsom: I think the hon. Lady has raised this issue a number of times in the Chamber, and I absolutely commend her for doing so, as it is of grave

[*Andrea Leadsom*]

concern. I was not aware that the Westminster Hall debate had to be cancelled, and I am sorry for that. I would encourage her perhaps to write to Mr Speaker to seek reinstatement of that debate at the earliest opportunity.

Vicky Foxcroft (Lewisham, Deptford) (Lab): Since the Home Secretary's announcement that the Government would adopt a public health approach to address violence, we have heard nothing—nothing on funding and nothing on how, just gimmicks. Today he has announced knife crime prevention orders—in the media, as my hon. Friend the Member for Gedling (Vernon Coaker) stated, not in this House. Children as young as 12 years old are being criminalised. Instead of criminalising them, we need to tackle the root causes. When can we have an urgent statement on how this fits into the Government's supposed public health approach?

Andrea Leadsom: The hon. Lady has raised this issue a number of times. I have been very pleased to be able to give Government time to two debates on what is an incredibly serious issue that concerns hon. and right hon. Members right across the House. She will be aware that the Government have published a serious violence strategy backed by £40 million of new funding. She will be aware of the £200 million youth endowment fund to provide support in getting children and young people at risk off the path towards crime. She will be aware of the £22 million over the next two years for an early intervention youth fund to support youth groups in communities with early intervention and prevention measures, and the £1.5 million for the anti-knife crime community fund to help communities themselves to tackle knife crime. It is an enormous priority for the Government, as she well knows. I pay tribute to her for continuing to raise this here, and absolutely assure that it remains a top priority for the Government.

Ian Murray (Edinburgh South) (Lab): Mr Saberi and Mrs Habibimrand are 83 and 73-year-old great-grandparents who live in my constituency. They have lived in Edinburgh for over 40 years. Their children, grandchildren and great-grandchildren are all British citizens. The Home Office has refused their application to stay. Disgracefully, their latest correspondence from the Home Office says that because they look after their severely autistic grandson while his mother is at work, they should be able to look after themselves in Iran. The severe emotional distress that their leaving would cause to their grandson could be exacerbated by him visiting their empty flat. This is a disgraceful response from the Home Office. Can we have an urgent debate led by the Home Secretary on article 8 of the European convention on human rights, on the right to a family life, and let these great-grandparents stay in Edinburgh, where their family and their lives are?

Andrea Leadsom: The hon. Gentleman raises what sounds like a very worrying situation. I think that the family will be pleased to have his support in raising it in the Chamber. I would encourage him to write directly to Ministers. If he wants to write to me following the business question, I can certainly take it up with the Department on his behalf.

Louise Haigh (Sheffield, Heeley) (Lab): A recent investigation by *The Observer* and Radio 5 Live found that there has been a 28% increase to more than 3,000 in the number of looked-after children under the age of 18 living in independent living accommodation without support. In many cases, that leaves these young people in danger. The Ministry of Housing, Communities and Local Government refuses to take responsibility for these children and does not even collate data on how many of them are being failed. Can we have an urgent debate in Government time on the responsibilities and resources of local authorities to protect these very vulnerable young people?

Andrea Leadsom: I think we would all share the hon. Lady's concern about the importance of looking after young people who have been, for whatever reason, separated from their families. Certainly, the issue of children in care who then leave care and become very difficult to track down is a challenge for all the authorities who are seeking to look after them. I would encourage her perhaps to seek a Westminster Hall debate so that hon. Members can share their own experiences and concerns.

Justin Madders (Ellesmere Port and Neston) (Lab): I am sure that, like many other Members, the Leader of the House and I have our fair share of complaints about the Child Maintenance Group, with long delays in recovering arrears reaching thousands of pounds. There is also an issue about whether the change in circumstances threshold is at the right level. The current level of 25% seems to cause quite a lot of injustice and frustration all round. Can we have a debate on whether this service is currently meeting the expectations that people have of it?

Andrea Leadsom: I am very sympathetic to the hon. Gentleman's request. I certainly have my fair share of constituents who have struggled with the CMS. I encourage him to seek a Backbench Business debate in the first instance, so that all Members can share their concerns.

Peter Grant (Glenrothes) (SNP): On 15 March last year, I raised the anomalous and ridiculous situation whereby vulnerable constituents of mine either qualified or did not qualify for cold weather payments, depending on which postcode area they lived in. The Leader of the House advised me to raise that with the Department for Work and Pensions, which assured me that the matter was under review. This week, the same thing happened again—constituents in KY5 got the additional payment, while equally vulnerable constituents in equally cold conditions in KY6, KY7 and KY8 got nothing. Can we have an urgent statement from the Secretary of State for Work and Pensions to explain what has happened to that review and how much longer my constituents and others have to endure this ridiculous postcode lottery to get the financial support they need?

Andrea Leadsom: I am sorry to hear of the situation for the hon. Gentleman's constituents. He will be aware that the warm home discount scheme, measures on improving energy efficiency and the energy company obligation form part of the Government's determination

to ensure that people can keep themselves warm in winter. I suggest that he raises his constituency concern in a written parliamentary question to the Department.

Liz Twist (Blaydon) (Lab): Pubs are an important part of our local communities, but too many of them are closing. Will the Leader of the House join me in congratulating the Friends of Ye Olde Cross in Ryton in my constituency, who on Tuesday this week took ownership of Ye Olde Cross as a community pub in the heart of the village? I declare an interest, as one of more than 300 community shareholders in the pub.

Andrea Leadsom: I congratulate the hon. Lady and all the other community shareholders. I am sure she will be there pulling a pint at some point over the weekend, and we will want to see a photograph of that. She is right; pubs in our communities are vital. They bring people together and provide somewhere to chat and share views about Brexit and all manner of things. They are the venue for many happy discussions. We appreciate the importance of the pub. That is why the Government have sought to keep taxes down on a pint of beer and a glass of wine, and we are doing everything we can from both a fiscal and community support point of view to keep our pubs going.

Alex Norris (Nottingham North) (Lab/Co-op): Holiday hunger is a scourge in communities like mine, and for too many young children, their free school meal is the best and sometimes only nutritious meal they get. That stops during the holidays, and we have a challenge in this place to tackle that. In the meantime, my community does not want to wait for long-term strategies but wants to get on right away. That is why I am supporting a consortium of organisations, led by the Active Partners Trust, that are making a bid to the Department for Education for a scheme that would feed and provide activities for 2,200 young people in my community in the holidays. I do not expect an explicit commitment to that from the Leader of the House today, but might she help by providing Government time to debate that or another opportunity for me to raise my support for this important bid?

Andrea Leadsom: I congratulate the hon. Gentleman on that bid and wish him success with it. All Members are aware of children in their constituencies who suffer from holiday hunger. In my constituency, there are also children who would prefer to be at school than at home because of not just hunger but the way they are treated during the school holidays, which is unacceptable in our society. The Government are seeking to do all manner of things to improve the plight of those children. I encourage him to raise that excellent initiative at Education questions on Monday 4 February.

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): Last week a Backbench Business debate was held on myalgic encephalomyelitis, led by the hon. Member for Glasgow North West (Carol Monaghan). I know that thousands of ME sufferers across the UK really appreciated their long-standing suffering being aired and given a proper discussion in this place, including my constituent Kim Clugston, who has suffered with this chronic condition since 2007. Many sufferers of ME want to know more about what the Government and the national health

service plan to do to address their condition. Will the Leader of the House call for a statement from the Health Secretary on plans for improving the research and treatment of ME?

Andrea Leadsom: The hon. Gentleman is right; that was a well-attended debate, and I think all of us have received emails from our constituents thanking Parliament for having the debate and at last recognising a condition which all too often simply gets ignored. He is right to seek further information from the Department of Health and Social Care on its response to that debate. Perhaps he could raise it at the next Health questions or seek an Adjournment debate, so that he can ask Ministers those questions directly.

Dr David Drew (Stroud) (Lab/Co-op): With reference to the earlier exchange between the Leader and the shadow Leader of the House, DEFRA is still struggling to get through 88 statutory instruments before the end of March. The Government have cancelled the debate on the REACH directive next week and one on air quality on Wednesday. How can the Opposition be expected to do the right job of scrutiny if things get cancelled and we do not have the resource to pull things together at relatively short notice? Will she think about giving us some more money so that we can do this job of scrutiny properly?

Andrea Leadsom: I am not entirely sure what the hon. Gentleman's question is. As I made clear to the Leader of the Opposition, I am closely monitoring the passage of secondary legislation, as well as primary legislation, and I remain confident that SIs that need to be made before 29 March are being brought forward as necessary. It is a carefully managed process—in fact, a new process introduced in this Session—to make sure that we can manage all the business that is needed by the time we leave the EU.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Three extra sitting days for private Member's Bills are welcome, but when will we see the necessary money resolution for the Refugees (Family Reunion) (No. 2) Bill that was introduced by my hon. Friend the Member for Na h-Eileanan an Iar (Angus Brendan MacNeil)? It was given a Second Reading by the House, and surely it is time for the Government to respect that vote.

Andrea Leadsom: The Government have an excellent record of supporting private Members' Bills to the statute book. In the 2010 Parliament 31 Bills received Royal Assent, and if we include the 2015-17 Parliament the number more than doubles that of the 2005 Parliament. Some excellent new legislation has been made as a result of the efforts of private Members' Bills.

We support the principle of family unity and have helped to reunite 24,700 family members in the past five years. Our policy is clear that we want to support refugee families. The hon. Gentleman asks about the progress of the specific Bill to which he referred. We give money resolutions in the appropriate order as the Bills come before Parliament.

Nick Smith (Blaenau Gwent) (Lab): Will our statute books be ready for exit day?

Andrea Leadsom: As I have said—this is now the third time of saying it today—I am closely monitoring the primary and secondary legislation that is needed for Brexit date, and I am confident that we will be able to pass all the legislation necessary by 29 March.

Mr Deputy Speaker (Sir Lindsay Hoyle): Chris Elmore.

Chris Elmore (Ogmore) (Lab): You are a kind and generous man, Mr Deputy Speaker.

Although he is not in his place, may I echo the calls made by the Chair of the Backbench Business Committee for a debate for Welsh MPs and anyone else who would like to join in around St David's Day? I am sure that the Leader will echo my calls to wish the Welsh team all the very best on Friday night in their match against the French as the Six Nations begins.

May I ask for a statement? Two weeks ago, St David's church in Pontycymmer in the Garw valley in my constituency was broken into in an act of mindless vandalism. The vandals achieved nothing apart from damaging crosses to try to gain access to a safe, which they could not do. They forced open lead windows, leaving huge amounts of damage. Rather than asking for a debate about mindless thuggery and vandalism, may I ask for a debate whenever the Leader of the House would like about the importance of the Church not just as a place of worship but for bringing communities together? In my constituency, the community has rallied and raised money to repair the church, and it will carry on being a hub for the community and my constituents.

Andrea Leadsom: I absolutely share the hon. Gentleman's good wishes to the Welsh rugby team on Friday night. In fact, a member of my office staff who is Welsh will be at the Stade de France. In return, I am sure that the hon. Gentleman will wish the English all success on Saturday against Ireland. There might be some disagreement here. Come on England! Sorry, Mr Deputy Speaker.

However, the hon. Gentleman has raised a very serious point. I am so sorry to hear about the break-in at the church that he mentioned. The mindlessness of such vandalism is appalling: it does so much to destroy people's sense of security and safety.

The hon. Gentleman is absolutely right. The Church does so much good in our communities, from running food banks to providing help for elderly and disabled people and those who are lonely. Churches are a vital part of our communities. I would personally welcome it if the hon. Gentleman sought a Back-Bench debate so that we could all share in a discussion of the excellent work done not just by our churches but by, for example, our synagogues and Sikh temples.

Mr Deputy Speaker (Sir Lindsay Hoyle): Just to help the Leader of the House, I can inform her that the rugby Super League starts tonight.

Jim Shannon (Strangford) (DUP): May I remind the Leader of the House that the outcome of the England-Ireland match could mean a great deal in respect of the confidence and supply motion? *[Laughter.]* I jest, of course.

Let me now raise a very serious matter. Last weekend, during Sunday mass, a Roman Catholic cathedral in the Philippines was struck by horror and tragedy when two bombs exploded, killing at least 20 people and wounding more than 100. Responsibility for that devastating attack, which killed both civilians and some police officers who were trying to protect them, was claimed by Daesh.

Across the world, terrorists are picking on, attacking and killing those who are worshipping their God in their place of worship. Will the Leader of the House agree to arrange a statement or a debate on this ongoing and global terrorist violence?

Andrea Leadsom: The hon. Gentleman has raised an incredibly serious point about the right of those who wish to worship, whatever their faith, and the appalling abuse of that right by terrorists. He often stands up for religious freedom in this place, and he is absolutely right to do so. I commend him for what he has said today, and I encourage him to seek, for instance, an Adjournment debate so that he can raise the matter further.

As for the hon. Gentleman's other point, I can tell him that I shall be with a very good friend who originates from Northern Ireland, so I think that we will be eating curry and celebrating whatever the outcome on Saturday.

Sir Oliver Letwin (West Dorset) (Con): I was grateful to the Leader of the House for confirming that if the Government have no motion under section 13(1) of the European Union (Withdrawal) Act 2018 to present to the House before 13 February, they will instead table a motion under a different part of section 13 on that day. Will she clarify, however, what the position will be if the Government have tabled a section 13(1) motion by that date, and it has been voted on and rejected? Will she confirm that in those circumstances, the Government will table a statement and a motion in neutral terms which will be amendable?

Andrea Leadsom: It is difficult for me to specify exactly what the process for agreeing any further motions will be in the event of different political outcomes. As my right hon. Friend will know, if we do achieve a revised deal, we will bring it back to the House for a second meaningful vote as soon as we possibly can.

Point of Order

12.3 pm

Pete Wishart (Perth and North Perthshire) (SNP): On a point of order, Mr Deputy Speaker. During business questions the Leader of the House announced that the February recess would not go ahead, but she was not able to give us any details about what type of business would be considered during that week, or whether there would even be departmental questions. Have you, Mr Deputy Speaker, been notified of whether arrangements have been put in place, given that this will be happening in only two weeks' time? Most important, has the position been communicated to the staff of the House, on whom we rely in order to conduct our business?

Mr Deputy Speaker (Sir Lindsay Hoyle): I assure the hon. Gentleman that I had not been informed. I was listening with great interest, like everyone else in the Chamber. What I will say is that business can change, and I should have thought that communicating the information to the staff before communicating it to the House would have been the wrong procedure. I am sure that there will be a wish to accommodate the needs of staff as well, but, as we know, the House's business must continue: it is a priority.

So no, I was not told: I was in the same position as everyone else. Quite rightly, we were all told at the same time.

Fashion Industry

ENVIRONMENTAL AUDIT COMMITTEE

Select Committee Statement

Mr Deputy Speaker (Sir Lindsay Hoyle): We now come the Select Committee statement. I call Mary Creagh to speak for up to 10 minutes.

12.4 pm

Mary Creagh (Wakefield) (Lab): I thank you, Mr Deputy Speaker, and the Backbench Business Committee for allowing me to present to Parliament this interim report on the sustainability of the fashion industry, the 15th report of this Parliament's Environmental Audit Committee. I also thank the dedicated staff and Committee members who, despite the Brexit crisis, continue to work tirelessly to hold the Government to account on environmental protection, and I am delighted to see so many members in their place.

We launched our inquiry last June to examine the social and environmental impact of fast fashion and the garment industry and to consider what actions consumers, retailers and the Government must take. Our final report will be published next month. The subject of today's statement is the interim report, which focuses on retailers' responsibility to ensure they employ people fairly and reduce fashion's footprint and to ensure that fashion does not literally cost us the earth.

We heard evidence that fast fashion encouraged the over-purchase, over-consumption and under-utilisation of clothes. This leads to excessive waste. In the UK, we throw 11 million items of clothing worth £140 million into the bin every year. People in this country buy more clothes than people in any other European country: 27 kilos per person a year, or two big suitcases, which is twice what the stylish Italians buy. This is spurred on by retailers selling clothes at pocket money prices—£2 T-shirts, dresses for a fiver—and encouraging consumers constantly to change their wardrobes, to stay on trend, to instagram it and to treat garments as single-use items.

If retailers are selling their T-shirts for £2, how much are the people making them getting paid? The answer is not enough, and they are sometimes working in terrible conditions. As Livia Firth from Eco-Age said this morning on Radio 4, we wear the stories of the people who make our clothes, and if we wear those stories, we must reflect deeply on the fact that five years ago the Rana Plaza building collapsed in Bangladesh, killing 1,130 garment workers. It was the biggest industrial accident of the modern age. The victims were mostly young women producing clothes in inhumane conditions and being paid poverty wages to fuel fast fashion on the UK high street.

Our inquiry has heard that harsh working conditions are not just a problem in Asia and China. We have heard worrying evidence of illegal practices in clothes factories here in the UK, particularly in Leicester, where 10,000 textile workers produce more than 1 million items of clothing a week. One whistleblower told me they saw fire exits padlocked shut. Online retailer Missguided told us that two of its inspectors were manhandled by factory bosses. It raises the question: if that is how factory owners treat their potential customers, what are the conditions being endured by their workers?

[Mary Creagh]

We heard that workers were working long, gruelling shifts and often earning as little as £3.50 an hour. Her Majesty's Revenue and Customs told us that since 2012 more than 90 factories in the UK have been caught in breach of minimum wage regulations, illegally underpaying their workers, and have been forced to pay out £90,000 in wage arrears—an average of £900 per worker. David Metcalf, the director of Labour Market Enforcement, said in his first annual strategy that labour abuses, exploitation and modern slavery were all part of a single continuum of abuse and needed to be tackled holistically.

Last autumn, we wrote to the UK's top 10 fashion retailers, four major online retailers and two supermarkets, Tesco and Asda. We asked 16 questions—for example, whether they were signed up to the Waste and Resources Action Programme's sustainable clothing action plan to reduce their carbon, water and waste footprint or to Act, Collaboration, Transformation, an initiative by the global garment workers union IndustriALL that works towards a living wage for all garment workers through collective bargaining, and about their use of sustainable cotton and recycling. Based on their replies, we have grouped them into three categories: most engaged, moderately engaged and least engaged. Only six of the 16 retailers are signed up to that ACT global trade union initiative. We were pretty shocked to see a group of major household name retailers failing to take action to promote action to protect their workers. Let us take their responses in turn.

The most engaged retailers were ASOS, M&S, Tesco, Primark and Burberry. They all use organic or sustainable cotton in some of their garments and recycle their materials. They all have in-store take-back schemes or recycling banks. However, the Committee was shocked to hear that Burberry incinerated over £26 million of clothing last year. We welcome its commitment to end this completely unsustainable practice.

All five of these engaged retailers are members of the Ethical Trading Initiative, which aims to improve conditions for workers globally. The Committee particularly welcomes ASOS becoming the only retailer to sign a global framework agreement with IndustriALL, the global trade union, committing to the highest standards on trade union rights, health and safety, and labour relations. We would like to see many more retailers follow its lead. We believe that freedom of association is far better than company audits at driving up worker protection.

The moderately engaged retailers were Next, Debenhams, Arcadia Group and Asda. These retailers are the proverbial curate's egg, taking some steps towards sustainability in the social and environmental spheres, but still falling short. For example, Next does not run take-back schemes for used clothing, saying that it would just be too expensive. Arcadia has one take-back scheme in one Oxford Street store out of its 2,500 UK shops. None was committed to reporting on climate change risk and only Next is taking action to tackle hazardous chemical discharges in its fabrics supply chain.

Our real concerns involve the least engaged group of retailers. JD Sports, Sports Direct, Amazon UK, TK Maxx, Boohoo and Missguided are clear industry laggards, and Kurt Geiger did not even give us the courtesy of a response. I leave hon. Members to draw their own

conclusions about that. None has signed up to WRAP's sustainable clothing action plan to reduce their carbon, water and waste footprint. Internationally, none has signed the ACT labour rights agreement.

Amazon was notable in its lack of engagement. It is taking none of the sustainability actions that we asked it about, nor has it signed up to ACT or the Ethical Trading Initiative. Its size, online reach and potential for growth as a fashion retailer mean it must get serious about its responsibilities.

We also have major concerns about the online retailer Boohoo's approach to trade unions. When we asked its joint CEO, Carol Kane, about unionisation at its distribution depot in Blackburn, she told us that it would recognise a trade union if there was demand from workers but there was not really any sort of demand. Shortly after that, we got a letter from Mike Aylward, from the Union of Shop, Distributive and Allied Workers trade union, contesting her evidence. He said that Boohoo "has, over a prolonged period of time refused even the most basic level of engagement with Usdaw and appears hostile to the very idea of recognising a trade union."

We recommend that Boohoo engages with USDAW as a priority and stops blocking union recognition and collective bargaining for its UK workers and its workers overseas.

This interim report shows that the current business model for the UK fashion industry is unsustainable. We are disappointed that so few large retailers and supermarkets are showing leadership. If we are to tackle climate change, cut emissions and reduce fashion's heavy footprint, these socially exploitative and environmentally damaging practices must end. Retailers must do more. By using this report, customers and consumers can make informed choices about where they choose to spend their money. We know they want to use their spending power wisely. It is time that retailers follow their lead. We will be setting out a blueprint when our full report is published. I commend this report to the House.

Mr Edward Vaizey (Wantage) (Con): Mr Deputy Speaker, you will know just from looking at me that I was the Minister for fashion for six years and the hon. Lady will know just from looking at me that none of my clothes enjoys a single-use outing.

I warmly welcome the hon. Lady's report, which I urge Ministers to consider. The British fashion industry is one of the most successful parts of our economy and the British Fashion Council does a huge amount to promote it and, indeed, to promote sustainability. Does she agree that her report is so good it should not gather dust, and that Ministers and other willing Members should work with her and fashion stakeholders to give British fashion a fantastic competitive edge in being the world's leading sustainable fashion industry?

Mary Creagh: I thank the right hon. Gentleman for that question. He is right that the UK fashion industry is a £32 billion industry. Areas such as my own in West Yorkshire have a long and proud tradition of textile manufacturing, weaving and spinning—I have the Sirdar factory in my Wakefield constituency—and of reusing and recycling: industries are using shoddy and mungo in mattresses, carpeting and bedding. So this is a proud industry. We found that no one is speaking for the end-to-end industry. There are people focused on the

high street and people focused on the British Fashion Council side of things—all the exciting creativity—and then there are the textile manufacturers, but they are not really altogether in one group. We think that they need to speak with one voice.

Last week, I visited the UK Textile Centre of Excellence in Huddersfield, where I saw some of the plasma technology and digital laser technology that it is inventing to reduce fashion's footprint and to give clothing antimicrobial properties so that it becomes more waterproof. So instead of processes using chemicals that wash off and wash down the drain, they are done at reasonably low temperatures with no chemical or water discharges. This is the future of fashion. We are inventing it here, but it is being exploited by a US company, which will shortly be listing on AIM—the alternative investment market. We need to keep this home-grown technology in our country. We have fantastic heritage brands. I am wearing a John Smedley sweater, made in Derbyshire, which has been worn at least 1,000 times—and darned. It offers lifetime repair and reuse services, as do Church's for shoes and Burberry for raincoats, which are made in the constituency next door to Wakefield: the constituency of Normanton, Pontefract and Castleford. We have to celebrate what is good and shut down the bad things.

Sandy Martin (Ipswich) (Lab): I thank my hon. Friend for this report, which we welcome. I note the reluctance of certain clothing manufacturers to co-operate in any attempt to audit the environmental impact of their business and, in one case, a point-blank refusal to engage at all.

Climate change does not respect political sensitivities. Whatever is said in this Chamber will make no difference to the rate of global temperature increase unless we can reduce our consumption of fossil fuels globally. Every area of our lives needs to be geared to that objective fact. Does the Chair of the Select Committee share my hope that more of the major retailers will sign up to the sustainable clothing action plan? Clearly, there is a way to go both with pollution, especially the release of micro-fibres into the environment, and with the climate change implications of fast fashion.

Transition towards a globally sustainable pattern of clothing consumption will not be easy, but does my hon. Friend share my conviction that companies that set out to do the right thing will reap the rewards of their initiative? Customer trust in brands is essential to clothing retailers and trust in those brands' environmental credentials will be an increasingly important part of the way consumers feel about them. Companies that are already striving to improve their environmental impact will be better placed to meet any regulatory or financial changes that may come about as a response to climate change.

Does my hon. Friend agree that the fashion industry can and must contribute to the move towards a more sustainable pattern of global consumption, and does she share my trust that the Government will take the recommendations from the Environmental Audit Committee very seriously when they come out in the final report?

Mary Creagh: I thank my hon. Friend the shadow Minister for that question. He is absolutely right. If we have just 12 years to tackle damaging climate change

before we reach certain tipping points, every sector and industry in the UK economy is going to have to tackle its carbon, waste and water footprints. Signing up to initiatives such as SCAP will literally be their licence to do business and their licence to operate. It is not a nice cherry on the cake or just a nice thing to have.

The fact that the sustainability manager and the buying manager often run in parallel in such companies, rather than the buying manager's work feeding into the sustainability manager's, is a problem. The cost per garment is put against the environmental and social cost per garment, and the financial cost always wins out. We need to change that relationship.

I agree with my hon. Friend that, through our clothes, we are wearing the fresh water supplies of people in India and in Uzbekistan, and we are destroying the environment. We have heard about the drying up of the Aral sea in Uzbekistan, where cotton farming has contributed to an economic, social and environmental disaster. We have not made our final recommendations, but I promise him that, when we do, they will be pretty far-reaching.

Dr Matthew Offord (Hendon) (Con): The hon. Lady makes the point that considerations about the fashion industry relate not just to economic conditions but social conditions around the world, so I am sure she would agree that it is in everyone's interest not just to buy from the highest ethical producers, but from British companies too. Will she take this opportunity to confirm to the House that the first evidence session at the Victoria and Albert Museum was the highest attended public session of this Parliament? I had some scepticism about this inquiry at the beginning, but the number of people interested in it has convinced me. To confirm what my right hon. Friend the Member for Wantage (Mr Vaizey) says, we will not allow the report to gather dust. There is a great deal of interest in it out in the country.

Mary Creagh: I thank the hon. Gentleman, who is a passionate and committed member of the Committee. We were thrilled to be hosted by the V&A. Its amazing "Fashioned from Nature" exhibition contains earrings made out of little birds 150 years ago, showing how we have consistently stolen from nature to decorate ourselves. There is nothing new under the sun.

The hon. Gentleman is right about our very large Committee hearing. We are breaking all sorts of new bounds with this Committee. When we launch the report we are going to have some cartoons to accompany it. I think that will be a first for Parliament, too. As the right hon. Member for Wantage says, the real value of a garment comes not in its price but in the number of times it is worn. That is where we get real value. A £50 garment worn 100 times is better than a £5 dress that is worn just once.

Alex Sobel (Leeds North West) (Lab/Co-op): I pay tribute to my hon. Friend, our Committee Chair, for her foresight in bringing this inquiry forward at this time. It is absolutely the right time. Does she agree that it is shameful that one of the top 10 fashion retailers in this country, Kurt Geiger, refused point blank to provide evidence to our Committee? It must come forward with evidence before we get to the final report.

Mary Creagh: Yes. I thank my hon. Friend, who is also an enthusiastic participant in this inquiry. I had to do a bit of convincing, but this has been quite a revelation for us as a Committee. To have a nil response from Kurt Geiger is extraordinary. It is not too late for it to give us its response. I hope it will listen—its public relations firm is probably writing it a desperate note at the moment—and I hope its chief executive will take this issue on board. I will make one other point to the House. This House passed the Modern Slavery Act 2015. It is not clear to me which brands have or have not submitted modern slavery statements. I hope journalists listening to this debate do their own research into that.

Kerry McCarthy (Bristol East) (Lab): Trying to make ethical choices as a consumer can be really difficult, whether for food or fashion. I must admit that after sitting through one session I came to the conclusion that we would all be walking around in brown paper bags—recycled paper, of course—because there seems to be a problem with almost every type of clothing. Does the Chair of the Committee agree that the onus cannot just be on the consumer to shop around? We must require manufacturers and retailers to step up to the mark and make sure that what they put on the market is ethically sourced, whether it be in terms of labour, materials or the way they treat their workers and so on.

Mary Creagh: I thank my hon. Friend for that question and for her incredibly dedicated leadership in the Committee, particularly on food waste on which she is a real national expert. She is right that it is impossible for the consumer to pick their way through this situation. The supply chains need to be guaranteed by retailers right down to farm level. That is very difficult because cotton is a global commodity. We heard that some retailers are attempting to do that by working with small-scale cotton traders. We live in a digital world where we have blockchain sustainability and sourcing. Some supermarkets can tell us more about the sourcing in their sausage supply chain—the factories and the abattoirs where their animals were killed—than they can about the lives of the women and in some cases the children working in factories. The International Labour Organisation definition of a child is someone under 15. There are 15 and 16-year-olds working in factories to make our children's clothes. I want much more transparency in the fashion supply chain, so there is a real movement towards people having an answer to the question of who made their clothes.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): I thank the hon. Lady and the Select Committee for an excellent interim report. As chair of the all-party group on textiles and fashion, we welcome the report. We recently held a roundtable to look at this very issue and were shocked to hear evidence of child labour and child refugees working in a lot of the fashion and textile industry. Will she look at those issues going forward? One suggestion made was for a traffic light system to help consumers choose the most ethical fashion.

Mary Creagh: I thank the hon. Lady for her interest in this subject. Yes, we did hear such evidence, particularly in relation to Turkey and the Syrian refugee crisis. We

heard about two 15-year-old Syrian boys working in a factory. The problem with the current model is that the factories are sending in auditors, but everybody knows when they visit. The factory looks spick and span and shiny, and they get shown the official set of accounts. A different set of accounts goes to the tax authorities and there is another set of accounts that controls workers' wages. The whole supply chain is almost created to incentivise the abuse of manual workers, often women manual workers or what we would class as child manual workers, and we are just prepared to turn a blind eye. The fashion industry has been marking its own homework for far too long.

The traffic light labelling initiative is interesting. What we have tried to do with the 16 different initiatives is look at the landscape that exists at the moment, which is fragmented, complicated and difficult, to see how we can bring it all together and see what is being engaged with. I hope we can tackle some of these very bad labour abuses, not least in our own country.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate my hon. Friend on a worthwhile and very thorough report. I am sure you remember, Mr Deputy Speaker, that nearly 20 years ago we investigated Barbie dolls. There were allegations then about child labour, as well as the abuse of adult employees on very low wages. It is amazing, listening to the report, that not a lot has really changed. I hope the Minister will say something encouraging on taking up the issue of health and safety in working conditions, particularly in Bangladesh. Some working conditions are appalling.

Mary Creagh: My hon. Friend makes a very good point. One difficulty is that a lot of fashion work is piecework done in the home, so there is no ability to work out what the minimum wage that should be paid actually is. In many countries there either is not a minimum wage or it is not a living wage—it is not a wage that people can live on. We received supplementary evidence from Boohoo about its £5 dress, which stated that workers in factories in the UK are making seven or eight dresses an hour. I remember when I was doing textiles at school it took me about four weeks to make my skirt. Sadly, someone sold it at Bishop Ullathorne school so I never got to wear it. It was fantastic and it was going to look really good. That was my one chance to make my own garment. The point is that very skilled workers in factories are working really hard, but I do wonder when they are able to make a cup of tea or go for a loo break. In the UK, they are making seven or eight dresses an hour that are being sold for a fiver. That still raises too many questions.

Justin Madders (Ellesmere Port and Neston) (Lab): I, too, congratulate the Committee on this excellent report. Following on from the answer the Chair gave to the previous question, I was struck by the evidence on minimum wage transgressions given to the Committee by the *Financial Times* journalist. She said:

“it is a totally open secret. Central government knows about it; local government knows about it. All of the retailers know about it.”

It is very clear and stark that there is a blatant disregard for the law. I am mystified as to why that has not been put a stop to already.

Mary Creagh: I thank my hon. Friend for that comment. Sarah O'Connor's testimony was literally jawdropping; we could not quite believe that that was happening in this country. After her testimony, more and more whistleblowers, who wished to preserve their anonymity, came to us to talk about what they had seen. They said that rivers in India are running blue from the dyes from cotton factories.

Sir David Metcalfe said that the textile industry is a problem area in the UK for national minimum wage enforcement. In Leicester, there were raids on 28 factories—the raids are based on risk. Of those 28 factories, 14 are now under investigation. We think that that is for non-payment of the national minimum wage, but two are under investigation for other reasons—we can guess that that is either for gangmaster issues or immigration issues. That shows the scale of the problem in these high-risk industries. We have shone a very bright light on Leicester, and we will continue to do so.

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Mims Davies): I appreciate the work of the Select Committee Chair and its members. When I was a Back Bencher, I worked with the hon. Member for Wakefield (Mary Creagh) on the all-party parliamentary group on textile and fashion. I was also on the APPG on ethics and sustainability in fashion, and we had a swishing party in the House of Lords. Sustainable fashion is therefore of interest to me.

I am here on behalf of the Minister for Digital and the Creative Industries, who is currently at a roundtable, but I undertake to have a look at this very interesting report. It will go before Ministers in my Department, the Department for Environment, Food and Rural Affairs and the Department for Business, Energy and Industrial Strategy, so this important work can be taken forward.

Backbench Business

Equitable Life

12.31 pm

Bob Blackman (Harrow East) (Con): I beg to move,

That this House welcomes the Government's acceptance in full of the Parliamentary Ombudsman's findings in relation to its maladministration with regard to Equitable Life; notes that the Parliamentary Ombudsman recommended that policy holders should be put back in the position they would have been in had maladministration not occurred; further notes that the overwhelming majority of victims have only received partial compensation compared to the confirmed losses directly attributed to regulatory failures; and calls on the Government to make a commitment to provide full compensation to victims of the scandal with the end of austerity now in sight.

I thank the Backbench Business Committee for allowing us to have this debate, and the Government for finally allowing us to have some time in the Chamber to debate the issues that the Backbench Business Committee wishes to put forward. I declare an interest as co-chairman of the all-party parliamentary group for justice for Equitable Life policyholders. I have held that office ever since I was elected to Parliament in May 2010. I will set out the history of the scandal, the Government's position to date, the current position on compensation, and what we want on behalf of the victims of the scandal. It is worth recalling that this was a Ponzi scheme. Equitable Life encouraged people to move their life savings into unsustainable pension funds by promising bonuses that could not be delivered. It also paid commission to agents to encourage people to move their savings into these scandalous positions. Ponzi schemes are all very well when money is coming in, but eventually money must be paid out. If the amount of money coming in is unsustainable, the bonuses that are promised to savers cannot be paid.

After almost a decade of operating the scheme, Equitable Life started legal action in 1999 to try to reduce the bonuses; it was unsuccessful in that regard. It then tried to sue its auditors for failing to point out the errors in its scheme. It was unsuccessful in that enterprise, too, and had to pay out more than £30 million in court costs. All that money could have been used to compensate the victims of the scam.

Eventually, the parliamentary ombudsman intervened and took up the case. Her recommendations said that this was the most serious case of maladministration she had ever encountered, and that the people involved were the Government, the regulators and Equitable Life. That is what makes this case unique.

Mr Jim Cunningham (Coventry South) (Lab): The hon. Gentleman is making a compelling speech. He is right that the situation has been ongoing for a very long time. The parliamentary ombudsman said—I have read some articles on this today—that people still have not yet been fully compensated, and some of them have actually died. We have raised this issue time and time again over the years. My hon. Friend the Member for Leeds North East (Fabian Hamilton), who will speak shortly, has done a hell of a lot of good work on this. I congratulate the hon. Member for Harrow East (Bob Blackman) on securing the debate.

Bob Blackman: I thank the hon. Gentleman for that intervention. I have no doubt that the co-chairman of the APPG, the hon. Member for Leeds North East

[*Bob Blackman*]

(Fabian Hamilton), will make a substantial contribution to this debate. He has been involved in this for more years than he probably cares to remember.

The previous Government promised some degree of compensation to the victims of this horrible scandal. I was a candidate at the 2010 general election, and in the run-up to it, the only pledge that Conservative campaign headquarters asked me to sign was that we would give full compensation to the victims of the Equitable Life scandal. I regard that pledge, which I signed, as one to the electorate and it is something I will honour. I believe that the Conservative party should honour it in full, and I welcome anyone else who will join me.

Kevin Hollinrake (Thirsk and Malton) (Con): I am grateful to my hon. Friend for all his hard work and persistence on the issue over many years. A number of my constituents, like his, have been affected by the scandal, but have received merely a fraction of what they are due and what the parliamentary ombudsman ruled they should receive. The Treasury's reason for that was pressure on the public finances, but now that the public finances are in a better place, does my hon. Friend agree that it is now time to compensate the victims of this scandal properly?

Bob Blackman: I completely agree, and I will come on to our asks in a few minutes.

When we were elected in 2010 and the coalition Government came to the fore, that Government took action, as is acknowledged in the motion, and I was pleased that they did so. The piece of legislation to provide compensation was almost the first to be put through the House after the election.

James Morris (Halesowen and Rowley Regis) (Con): I, too, congratulate my hon. Friend on securing this debate. The Government did take some action. My constituents Jean Cooper, Ron Moseley and Tom Graham—Equitable Life victims who have done a lot of work campaigning—have made lots of representations to me. Does my hon. Friend agree that, given the improving public finances, the Government should take on board the argument for full compensation, perhaps phased over time?

Bob Blackman: I thank my hon. Friend for that intervention. Conveniently, he leads me to my next point.

In the comprehensive spending review on 20 October 2010, the former Chancellor of the Exchequer, George Osborne—I do not always agree with him these days, but I certainly did at the time—remarked, in relation to Sir John Chadwick's report:

"I accept the findings of the parliamentary ombudsman in full."—[*Official Report*, 20 October 2010; Vol. 516, c. 960.]—

He did not say "partially"; it was not hedged in any way. He went on to talk about the relative losses and the amount of money, and said that the fair amount of funding at the time was £1.5 billion because of the state of the public finances.

In the financial statement on 20 March 2013, George Osborne went further and said that compensation should be provided to people who were not covered by the law—namely, the pre-'92 trapped annuitants. He said:

"We are not doing this because we are legally obliged to; we are doing it because, quite simply, it is the right thing to do."—[*Official Report*, 20 March 2013; Vol. 500, c. 941.]

I agree completely.

In the financial statement on 8 July 2015, George Osborne stated:

"We are also going to use the remaining funds available in our Equitable Life payment scheme, as it closes, to double the support that we give to those policyholders on pension credit who need this extra help most."—[*Official Report*, 8 July 2015; Vol. 598, c. 333.]

Damien Moore (Southport) (Con): Does my hon. Friend agree that not only is it the right thing to do for these victims, but it is the right thing to do to show faith and confidence in the system and for all those who want to provide for themselves in old age? Over 2,000 of my constituents were affected by this.

Bob Blackman: My hon. Friend is absolutely right. This is a debt of honour, and we owe it to those victims who did the right thing. They saved for their old age and now they suffer consequences.

Philip Davies (Shipley) (Con): Does my hon. Friend agree that if the Treasury was owed money by other people its attitude would be very different? It is amazing what the Government can find money for when it needs to. As my hon. Friend said, this is a pledge that this party has made over many years, and I support him in the campaign he has superbly led over many years. Does he agree that the Treasury should now do the right thing, as they promised to do all those years ago, as he has pointed out?

Bob Blackman: I thank my hon. Friend for that intervention. I am not a Treasury Minister, so unfortunately I am not in a position to honour that pledge, but I look forward to my hon. Friend the Economic Secretary giving us some good news this afternoon.

Dr Matthew Offord (Hendon) (Con): I thank my hon. Friend, particularly in helping all my constituents. Does he agree that the failure to pay these moneys out over the last couple of years, particularly at the time of the financial crash when the banks and building societies were bailed out, sends out the terrible message that we will look after corporations, but we do not look after our constituents?

Bob Blackman: That is a serious point. During the financial crash, the view was taken that we could not afford or allow a situation in which the banks and other institutions failed. Indeed, the position of the Government successively has been that Equitable Life was too big an organisation to allow to fail. Had it failed when it was basically trading insolvently, the Government would have needed to pick up the total cost for all those victims of the scandal.

Justin Madders (Ellesmere Port and Neston) (Lab): I congratulate the hon. Gentleman and my hon. Friend the Member for Leeds North East (Fabian Hamilton) on the work that they do in the all-party parliamentary group, of which I am a member. Today provides a perfect example of how political will can transmit into effective action. We have read the stories about MPs being offered resources for their constituencies to support the withdrawal agreement; does that not show that when there is the political will, the money can be found?

Bob Blackman: Thus far my constituency has not been offered any additional funds for my voting for anything—that is not the basis on which I vote in this House—but I can understand the hon. Gentleman's concern.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): Many of my constituents who have been affected by the Equitable Life issue regard the APPG as their only voice in not only this place, but the country. Does the hon. Gentleman agree that the failure to compensate the Equitable Life victims not only has a hugely detrimental effect on their lives, with their not be able to retire in the comfort that they deserve, as they thought they would, but also affects faith in this House and in the pensions system at a time when people are living longer and need to be doing more to prepare for retirement?

Bob Blackman: It is clearly a view that people are not saving in the way in which they used to. Young people are being discouraged from saving as a result of what they see as the scandals that took place.

Alex Chalk (Cheltenham) (Con): I join others in commending my hon. Friend on the extraordinary campaign that he has led. Does he agree that not only is this a debt of honour, but that the Treasury can take comfort from the unique circumstances of the case in terms of the fault that was found with the Government and other regulators to know that this would not open the floodgates? The matter stands on its own terms, and the Government can do the proper thing of compensating people without fearing that that will have some enormous knock-on effect.

Bob Blackman: Not only that, but if the compensation was paid out, because the people involved are vulnerable and retired or likely to retire soon, the Treasury would see the money repaid and put into the economy straightaway, not put away for a rainy day.

Mr Marcus Fysh (Yeovil) (Con): Does my hon. Friend also agree that many who are suffering, some of whom live in my constituency, are not getting any younger and could really do with this money now?

Bob Blackman: They have been denied proper compensation for nine years. It is time that this was settled.

Andrew Selous (South West Bedfordshire) (Con): We know that many of the victims were retired nurses, teachers and factory or shop workers, and therefore not people of huge means, but one particular group is affected: small business owners who had no choice but to set up a pension. Does my hon. Friend agree that we owe a particular debt of honour to these small business owners who had to set up a pension and thought Equitable Life was a perfectly proper company to do that with?

Bob Blackman: Many companies in this country encouraged their employees to invest with Equitable Life thinking that it was a safe haven. In fact I can speak from personal memory, in that I was an employee of BT at the time and we were encouraged to invest in Equitable

Life. Thank goodness we had a choice—I made the right choice, but I could be in the position of the victims.

Several hon. Members *rose*—

Bob Blackman: I will give way to the hon. Member for Stretford and Urmston (Kate Green) and then move on to the key points I want to make before winding up.

Kate Green (Stretford and Urmston) (Lab): I congratulate the hon. Gentleman and his co-chair, my hon. Friend the Member for Leeds North East (Fabian Hamilton), on all the work they have done. I should declare an interest, in that I had an Equitable Life policy. I lost a very small amount of money, but over 2,000 of my constituents will have lost much more.

Does the hon. Gentleman agree that in addition to the financial benefits the Treasury would draw from money recirculating, doing such a thing would also mean that those former policyholders who are now having to look to other financial instruments to raise cash—such as equity release, which is equally inappropriate for them—would be protected from having to undertake other risky financial measures to sustain themselves in their old age?

Bob Blackman: I completely agree with the hon. Lady; she makes a valid point.

Several hon. Members *rose*—

Bob Blackman: I give way to my hon. Friend the Member for Cheadle (Mary Robinson).

Mary Robinson (Cheadle) (Con): One of the issues that has affected people in my constituency—they are really concerned—is the fact that they expected this to be dealt with. They trusted the Government to do so, and they are very suspicious and cynical about the delay. We need reassurances that the Government truly understand the impact that this is having on people's lives.

Bob Blackman: Clearly there is a debt of honour, and we need to make sure the people who have been victims are properly compensated.

Mrs Kemi Badenoch (Saffron Walden) (Con): Will my hon. Friend give way one more time?

Bob Blackman: Given that my hon. Friend has been sitting beside me, I will give way to her before I move on.

Mrs Badenoch: I thank my hon. Friend; he has been exceedingly generous in giving way.

I can only echo the many points that Members on both sides of the House have made about this issue. Many of my constituents have written the most heart-breaking stories about how their lives were destroyed by this scandal. What is my hon. Friend's view of the fact that no one has been prosecuted or sent to prison for this scandal?

Bob Blackman: That is clearly a matter for court action—for the Crown Prosecution Service and others—but it is a further scandal that no one has suffered anything other than the people who saved the money in the first place.

May I set out for the House's benefit the categories of individuals who suffered the unfortunate loss? First, there are the pre-'92 trapped annuitants. Bizarrely—I have never understood this—the Government drew a line at 1 September 1992 for the people who would receive compensation. Those who invested before 1 September 1992 were excluded from the compensation scheme, yet they are the most elderly and often the most vulnerable individuals who are owed money. Someone who took out a pension policy on 31 August 1992 got not a penny, but those who took a policy out on 1 September 1992 could end up with full compensation. That seems completely arbitrary. Many of these people are particularly vulnerable. Some 9,200 of those individuals are still alive and it is clear that they should receive full compensation.

The cost of providing full compensation for those victims will be less than £100 million. The key point is that within the compensation scheme, there is a contingency, and that does not need to be used now because the forecasts are that the payment for those who were receiving 100% benefit will be 11% down, so the additional funds and the contingency are not required. The Government could therefore take the decision to pay in full those most elderly victims who need assistance.

Post-'92, there are of course two categories: those who received 100% compensation; and those who have received 22.4% compensation. Why 22.4%? That is an arbitrary figure. I believe that every victim of this scandal should receive the full amount of money.

In the various statements that were made to the different Select Committees and to this House, the Government accepted that the total bill would be £4.3 billion. That figure was later corrected to £4.1 billion. However, the Government have allocated only £1.5 billion. They clearly have a debt of honour, and I have three basic asks for them today. First, given the position of the pre-1992 trapped annuitants and the figures that I have set out, will the Government now take action to compensate fully those elderly individuals who are extremely frail? The money will almost certainly go straight back into the Treasury and the economy in a way that we would all welcome.

Secondly, will the Government face up to the fact that although the scheme is closed to new entrants, they are going to be paying out to the victims of the scandal for some considerable time? Will they therefore top up that money, possibly over a phased period, as has been suggested? Perhaps that period could be five years. Most of those victims will be coming up to retirement soon, and they need certainty that they are going to get some money. The key point here is that this would not immediately cost the Treasury the £2.6 billion that would be required, because this could be phased over a longer period to top up the pension schemes of those in operation.

My third ask, which is equally crucial, relates to the fact that the Government now know exactly who is involved, because the scheme is closed to new entrants. They know the names, the addresses, the national insurance numbers and the total amount that those people are

owed, and that data needs to be retained. I ask the Minister to give a guarantee that data will be retained and not destroyed, so that when the Treasury eventually owns up to this and accepts that it has to pay full compensation, we do not have to go back to square one to get all the data back.

Gavin Robinson (Belfast East) (DUP) *rose*—

Bob Blackman: I will give way just one more time, because I know that the Deputy Speaker is looking at me and expecting me to finish.

Gavin Robinson: I am grateful to the hon. Gentleman for giving way. I think it is important to reinforce his three asks. I met an 87-year-old constituent on Friday afternoon who was distraught and in tears over how he had been left as a result of the Equitable Life scandal, but he was given hope when he got a note from the action group to say that today's debate was happening. Given the hon. Gentleman's three key asks, and given the political willingness right across the House and around the country to resolve this issue, does he agree that the Government must ensure that this will not be another false dawn for those who look to us most?

Bob Blackman: I thank the hon. Gentleman for his timely intervention.

I would like to sum up by thanking the Equitable Members Action Group and the policyholders who have suffered for so long. I also want to make it clear to the House that things have changed. When we were elected, it was basically only Conservative Members, and some colleagues from the opposite side, who were supporting justice for Equitable Life policyholders. The all-party parliamentary group now has more than 100 members, from the Labour side in particular, who now recognise that this is a debt of honour, so this is not just confined to these Benches. The reality is that if the Government fail to honour the debt, further action will clearly have to follow and we will force the Treasury to take action.

Several hon. Members *rose*—

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. I suggest that Members take up to 10 minutes, and we will start with Fabian Hamilton.

12.53 pm

Fabian Hamilton (Leeds North East) (Lab): I start by paying tribute to my all-party parliamentary group co-chair, the hon. Member for Harrow East (Bob Blackman), who has given an excellent introduction and who has worked very hard indeed in the nine years that he has been in the House to try to bring about the justice that we all want for the victims of the Equitable Life scandal. I am sad that, after so many years of debating the issue, we are back here again today talking about the continuing losses suffered by hundreds of thousands of Equitable Life policyholders. They invested in the world's oldest life assurance company in the belief that they would be able to live a comfortable old age, but instead, after a lifetime of saving, they find themselves sometimes destitute and often much poorer through no fault of their own.

How have we arrived here, nearly 20 years after Equitable Life closed its doors to new investors and nine years after the Government promised to ensure that the losses incurred by Equitable Life policyholders would be fully compensated? I hope that hon. Members will permit me briefly to go back over some of the history of this sorry tale in order to give the House and the public some answers to these questions. My first involvement in the Equitable Life saga was to speak in a Westminster Hall debate that I led on 24 June 2009. In that debate, I spoke about the serious issues facing so many of our constituents since the crash of Equitable Life following its inability to meet obligations and promises made to investors over decades.

In July 2008, the parliamentary ombudsman published her first report on Equitable Life, entitled "Equitable Life: a decade of regulatory failure". On 11 December that year, the Public Administration Committee produced a report entitled "Justice delayed", in which it stated:

"Over the last eight years many of those members and their families have suffered great anxiety as policy values were cut and pension payments reduced... Many are no longer alive, and will be unable to benefit personally from any compensation."

Alex Sobel (Leeds North West) (Lab/Co-op): I should like to thank my hon. Friend and neighbour for making the case for Equitable Life members. I should also like to pay tribute to my constituents, Ray and Marjorie Dunn, who have been brilliant campaigners for the Equitable Members Action Group. They have made these exact points: this has been going on for a very long time, and many pensioners are now well into their retirement and living in pensioner poverty because the Government have only partially compensated them. Is it not time for the Government to make up for their past mistakes?

Fabian Hamilton: Yes, indeed. I thank my hon. Friend and neighbour for making that point. I know Ray and Marjorie Dunn very well—they correspond with me regularly—and I know that my hon. Friend has been a champion of their case and of many other cases in his constituency. I will go on to say a bit more about how I think they should be compensated.

Dr David Drew (Stroud) (Lab/Co-op): Would my hon. Friend accept that one of the biggest problems is that we have had so many investigations into Equitable Life, and that it was not helpful that the previous Government did not accept the case of the financial ombudsman, right at the beginning? There was a lot of, dare I say, confusion and deliberate misleading, but that report was very clear on where the blame should lie. This has not helped the case of the Equitable Life fundholders.

Fabian Hamilton: I thank my hon. Friend for making that point. The ombudsman's report did indeed make it clear that this was a catastrophic failure of regulation, and that the Government bore considerable responsibility for compensating those who had lost out. I will go on to say more about that in a minute.

The Public Administration Committee also stated:

"We share both a deep sense of frustration and continuing outrage that the situation has remained unresolved for so long."

That was more than 10 years ago. On 5 May 2009, Ann Abraham, the then parliamentary ombudsman, published a second report, "Injustice unremedied: the Government's response on Equitable Life", in which she stated:

"I was deeply disappointed that the Government chose to reject many of the findings that I had made, when I was acting independently on behalf of Parliament and after a detailed and exhaustive investigation."

She concluded:

"In this case, I am satisfied that the injustice I found in my report to have resulted from maladministration on the part of the public bodies responsible for the prudential regulation of the Society has not so far been remedied."

There was certainly no shortage of reports—just a shortage of justice for those who had, through no fault of their own, suffered huge losses in the life savings they had accrued over years of hard work.

Joanna Cherry (Edinburgh South West) (SNP): I congratulate the hon. Gentleman and his co-chair on pursuing this issue so assiduously. As he says, the difficulty is that there have been so many reports. I have one constituent who is 84 and whose wife died three weeks ago. I have another who is 80 and who has just been diagnosed with dementia. Does the hon. Gentleman agree that those constituents need to know today that they will be compensated fully and soon, before they suffer further bereavement or illness?

Fabian Hamilton: I thank the hon. and learned Lady for that intervention. The story of her constituents is reflected up and down the country, in every constituency represented in this House, and I hope that we will get some answers from the Minister at the end of this debate.

Alex Chalk: Does the hon. Gentleman agree that the approach being taken seems inconsistent with the approaches taken in different contexts? For example, if someone is the victim of a crime, they can be compensated by the state for something that is not the state's fault at all, and yet the state is more reluctant in circumstances where there was complicity, or certainly fault, from the state. Does he agree that is a troubling inconsistency?

Fabian Hamilton: Indeed, and if I am able to complete my contribution this afternoon, I will add to the hon. Gentleman's point.

At the core of the problem is the fact that Equitable Life simply could not meet the obligations that it had made for itself, because it had made no provision for guarantees against low interest rates on policies issued before 1988. It declared bonuses out of all proportion to its profits and, indeed, its assets. Following the House of Lords ruling in July 2000, the society stopped taking new business in December that year, which effectively spelled the end for Equitable Life. More than 1 million policyholders then found that they faced cuts to their bonuses and annuities, which caused a huge loss of income on which many small investors had depended. After all, the average investment for the 500,000 individual policyholders was just £45,000 which, according to EMAG, even at its height would have yielded no more than £300 a month.

The then Labour Government unfortunately failed to introduce any *ex gratia* compensation scheme and refused to follow the recommendations of the parliamentary

[*Fabian Hamilton*]

ombudsman. Reacting to the Government's lack of response to the ombudsman's report, the then Conservative Opposition stated their determination to introduce an Equitable Life (Payments) Bill early in the next Parliament should they form a Government after the forthcoming general election of 2010.

One of the coalition agreement's plans for legislation did indeed include such a Bill, which became the Equitable Life (Payments) Act 2010. It was introduced early on in June 2010, shortly after the new Government took office. On 10 November, I tabled an amendment to the Bill in Committee that would have included the pre-1992 trapped with-profits annuitants—WPAs—who had been specifically excluded, as the hon. Member for Harrow East said earlier, from the proposed compensation scheme. The Bill offered 100% compensation to all with-profits annuitants who took out their annuities after 1 September 1992, and 22.4% to every other policyholder. Many right hon. and hon. Members on both sides of the House felt that that was inherently unfair, because the 1 September 1992 date was somewhat arbitrary. Many of the policyholders would unfortunately not even live to enjoy the compensation were it to be paid.

I tabled another amendment to that Bill, which read:

“Payments authorised by the Treasury under this section to with-profits annuitants shall be made without regard to the date on which such policies were taken out”.

The amendment took just over two hours to debate and the vote was lost by 76 to 301, but it strongly set out the case for including the pre-1992 with-profits annuitants. Although that amendment failed in 2010, I still believe that it is vital to give equality of treatment to those who took out with-profits annuitant contracts before 1992 and who are still alive. As we have heard, those people are the oldest and the most vulnerable victims, and the cost could be met from the £140 million underspent from the £1.5 billion originally allocated by Parliament.

Rectifying the injustice would cost in the region of around £100 million. The lifetime payments to the post-1992 WPAs are 11% less than forecast, and there is no reason to expect that the total amount of £620 million allocated for those payments will ever be needed, let alone exceeded. That means that the separate contingency fund should now be released and distributed to victims, rather than remain in Her Majesty's Treasury's back pocket. Will the Minister confirm this afternoon that every last penny of the £1.5 billion already allocated by Parliament will reach victims as intended?

The Bill received Royal Assent in 2010, and the compensation scheme was set in motion. It was slow at first, but it began to pick up over subsequent years. By 31 August 2016, when the scheme's final figures were published, over £1.2 billion had been paid out to 932,805 policyholders, although more than 107,647 have still to be paid but cannot be traced. Tragically, 15,516 policyholders have died, and their estates did not claim the payments despite attempts by the scheme to contact them. In addition, 894,507 non-with-profits annuity investors have been issued with lump sum payments totalling £751 million.

To conclude, when we examine the compensation paid to investors following the collapse of the Icelandic banks in 2008, for which every investor received up to £50,000 of their losses in full and quickly, the Equitable

Life scheme looks rather less generous. Given that the average policy involved a total sum invested of £45,000, it seems rather unfair to me and to Equitable Life policyholders that they did not receive more, which is why EMAG continues to campaign for full compensation for all policyholders and why so many Members on both sides of this House support that view. I urge all Members—this is the last bit, Mr Deputy Speaker—current and future to take up the cause of Equitable Life policyholders to try to restore their faith in the ability of this House, as the elected representatives of the people, properly to secure compensation for the victims of one of the greatest financial scandals of our age. We have a moral duty and should not be afraid to carry it out.

Several hon. Members *rose*—

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. I am not going to complain about the length of that speech, but if Members can try to speak for under 10 minutes, that would help the situation. All our constituents need the help and support of this House, and we need to hear these passionate speeches, but please try to help each other. The good news is that Sir Desmond Swayne has offered to undershoot in order to pull some time back.

1.6 pm

Sir Desmond Swayne (New Forest West) (Con): It is a great privilege to follow my hon. Friend the Member for Harrow East (Bob Blackman) and the hon. Member for Leeds North East (Fabian Hamilton), to whom the House owes an enormous debt for the amount of time, effort and initiative that they have put into raising the profile of this important issue.

Ever since I have been in this House, I have experienced legislation after legislation and Government initiative after Government initiative to try to deal with the enormous implications of the problem we face as we spend an increasing amount of our lives in retirement. We cannot expect people to rely on the basic state pension. It was never designed to provide people with the level of comfort to which they had grown accustomed during their working lives. It was introduced to prevent people from falling into poverty, not to provide them with comfort. It was introduced to keep the wolf from the door. Notwithstanding the huge improvements that we have made, such as the legislative changes with respect to women's entitlement and the operation of the triple lock, people imagine that they have paid for their state pension, but they have not. They have paid for those who are retired now, as they expect this inter-generational contract to proceed and that others will pay for them.

However, as the working population shrinks relative to the retired population, people must make savings for their retirement. We have this enormous task of public policy to get that message across to people and, hey, pensions are complicated and people have busy lives. They have children at school, mortgages to pay and job worries. Pensions are a low priority for them. I never cease to be amazed at the level of public ignorance and, indeed, indifference to knowledge about pensions—even in this House. Mr Deputy Speaker, you may be aware that the House authorities are providing seminars for Members who are approaching retirement, at which they suddenly discover the implications of the lifetime

savings limit, something which you would have expected them to wrestle with since most of them will have voted for those changes in a Finance Bill in the last Parliament. Even Members are not immune from this.

We must deal with public indifference and ignorance, but we have added a further toxic element to that mix: hostility to pension savings. We have somehow let it get abroad that pensions are a mug's game, that people who do the right thing and follow the exhortations to save actually end up, either through malice or through incompetence, having those savings stolen from them. Such is the case with Equitable Life.

These were overwhelmingly people of modest means. Many of them were employed in the public sector, where the scheme was widely advertised, so much so that they thought it was somehow publicly sanctioned. What happened, as has been described, was disgraceful. There was a measure of public culpability. The Treasury was aware of what was going on at Equitable Life, and therefore something must be done to compensate these people.

Ministers can be proud of the fact that, when they came to power in 2010 and sought to address this issue at a time when the public finances were under such pressure, they maintained it as a priority. Let us be honest that previously, when money was easy, nothing had been done. However, that was then and this is now, and it cannot go away—22.4% is not a settlement that can address the needs of those who are required to be compensated. We need to get the message out there that people will be protected if they do the right thing and save.

I have heard it said that Ministers sometimes ask whether, if they had a couple of billion to spend, this would be the way to spend it, given all the demands on the public purse. Yes, it would be. First, because of the public policy priority to which I have drawn attention and, secondly, because this is a matter of moral rectitude. If Ministers think it will go away and they can close the book, they should just look at the disproportionate number of the new 2017 intake who have joined this all-party group. It will not go away until there is justice.

1.11 pm

Mary Glindon (North Tyneside) (Lab): It is an honour to follow the eloquent and succinct right hon. Member for New Forest West (Sir Desmond Swayne). I pay tribute to the hon. Member for Harrow East (Bob Blackman) and my hon. Friend the Member for Leeds North East (Fabian Hamilton) for their work as chair and co-chair of the all-party group in fighting for justice for Equitable Life policyholders.

I make no apology for repeating some of what has already been said, and I am sure others will do the same. It is a disgrace that there are over 1 million victims of this pensions scandal. It is even more disgraceful that it is 11 years since the ombudsman said that victims had lost their pensions because of a decade of serious serial regulatory maladministration, and it is a total disgrace that, despite the Treasury admitting it had blame for the scandal, these policyholders still have not been compensated in full.

The north-east regional branch of EMAG has advised me that there are over 2,000 victims of this scandal in North Tyneside. In recent years I have been contacted

by several constituents who are rightly aggrieved because they have received only just over 22% of their pension pot. One constituent is in the group of around 8,500 people who are considered the oldest and most vulnerable—the pre-1992 policyholders—and who have been treated less favourably than those who bought their annuities later. I spoke to him yesterday, ahead of this debate, and he pointed out that, sadly, a number of these annuitants are no longer with us, as other colleagues have also mentioned. He is particularly concerned that the Government keep safe the data relating to Equitable Life annuitants until the money is available to recompense those who have lost out. I hope the Minister will reassure my constituent on that request today.

My constituent is, of course, correct in pointing out that some victims will never see justice done. No one is getting any younger, and it is heartbreaking that thousands upon thousands of Equitable Life victims, through no fault of their own, have been left without the security they thought they had wisely invested in for their old age.

Liz Twist (Blaydon) (Lab): I am one of the 2017 intake who have been contacted by constituents affected by this. Does my hon. Friend agree that, if we want people to save for their future through a pension, we have to put right the wrongs that have been done? Modest people who saved well for their pension have now lost out in their old age.

Mary Glindon: I thank my hon. Friend for that question, which I will be addressing later.

It is frustrating for us to know that justice has not been done, but how much worse must be the anger and frustration of those who feel cheated? Today's motion specifically calls upon the Government to make a commitment to provide full compensation to victims of the scandal, with the end of austerity now in sight. EMAG's demands have been put forward reasonably. As the Chancellor announced in the Budget that austerity is over, it seems that the statement by one of the Minister's predecessors, following a meeting with an APPG delegation two years ago, that the demands—the payment scheme funding for the pre-1992 annuitants and the £2.6 billion funding to recompense fully the 895,000 victims—could not be met because of public purse constraints, even if they were spread over a period, and because it would run contrary to the Government's efforts to restore sustainability to the public finances, is no longer applicable. That has been mentioned by previous speakers, and I think the Minister will hear it again.

Paying these victims what they are owed will not only be doing what is right but will send out the message that people can and should save for their retirement, in the knowledge that the Government will protect them if such a scandal, heaven forbid, were ever to happen again. I hope the Minister will be able to assure Members present that the Equitable Life victims we represent are no longer subject to the constraints of austerity. It is shameful that the years of austerity were ever used as an excuse for the Government to deny their responsibility for paying these pensioners and future pensioners their entitlement.

My message to the Minister and the whole Treasury is that, in these times of trouble and uncertainty, they should take the opportunity to restore some faith in the Government and our Parliament by, at last, paying the Equitable Life policyholders their rightful due.

1.17 pm

Mr David Davis (Haltemprice and Howden) (Con): I start by congratulating my hon. Friend the Member for Harrow East (Bob Blackman) and the hon. Member for Leeds North East (Fabian Hamilton). I hope they will take it in the right way when I say that their continued presence here after a decade gives me an overwhelming sense of *déjà vu*. Having spent a couple of years' penance on the Front Bench, I come back to find that, despite their sterling efforts, the issue is still before us.

The Equitable Life scandal is one of the greatest failures, perhaps the greatest failure, of public oversight and regulation in modern times, so it was the right decision to act in 2010. But, sadly, to act only partially was a failure of moral leadership, as my right hon. Friend the Member for New Forest West (Sir Desmond Swayne) intimated.

The ombudsman's report in 2008 was unambiguous, as the hon. Member for Leeds North East said, in calling for all those affected by injustice and maladministration from 1990 onwards to receive full compensation. The chairman of Equitable Life himself said that the report was inarguable. The report made no distinction between post-1992 and pre-1992 investors, and nor did anyone else—not the victims, not Equitable Life, not the ombudsman and not the Public Administration Committee. The Government's rationale was that people who invested before 1992 were not affected by the scandal. Well, I am afraid that I completely disagree. These were long-term investments that were affected by ongoing and long-running maladministration. They were affected by the continuing failings of both Equitable Life and the regulators. Moreover, as we have heard, nearly all the pre-1992 cases involved some of the oldest and most vulnerable victims—they were also probably the poorest—who have so far received only a paltry sum of money. If the state fails to regulate properly, it inevitably forces that cost on to the consumer, and it is incumbent on the Government to make that right—and make it right in full.

The ombudsman was clear that there were fundamental failings by the then Department of Trade and Industry, the Government Actuary's Department and the Financial Services Authority. The truth is that they knew, for most of the time, that this was a fraudulent Ponzi scheme. My hon. Friend the Member for Harrow East has described it as such and we should understand that Ponzi schemes are frauds—it is straightforward and simple. The Government failed to ensure that accurate returns were in the public domain; they failed to take ample opportunities to step in; and they failed to use their full range of powers. So, frankly, it seems to me that the Treasury plucked a cut-off date from thin air—there is no other way of describing it.

The ombudsman called on the Government to compensate the victims fully: to put them in the position they would have been in if the scandal had not occurred. That is the test: where would they have been if this scandal had not occurred? Leaving aside the pre-'92 victims, that is a far cry from the 22p in the pound that has, in effect, been paid to many of those whom we have chosen to compensate. As has been said, this ultimately comes down to an issue of public trust. These victims were not wealthy investors. Typically, in my constituency at least, they were retired factory workers, teachers, nurses and small businessmen, who believed they were setting themselves up for at least a tolerable and reasonable

retirement—I was tempted to say a comfortable one. That is a perfectly honourable, reasonable and laudable ambition for all our citizens.

As my hon. Friend made clear, the Conservative party promised in our 2010 manifesto to compensate the victims—not partially compensate them or compensate some, but compensate them. Like him, I was a signatory to that—indeed, I was heavily involved in getting it to happen. So I feel personally committed to it, too. It was right there in black and white, and it is there with my signature on it, just like everybody else's. A failure to right this wrong will only serve to further undermine the public's trust in politics and financial institutions

The Government say, or said then, that this comes down to an issue of "affordability", but affordability is always a decision of priority: what comes first? The Government did not say that they did not have any money—they said they did not have enough money. What is more important than this: keeping our word, supporting the poor, upholding an institution that is important to people in the future, as well as these victims? All those things make this issue incredibly important. So in my view the affordability argument was flawed in the first place, but that was the position. Now, even that falls down, because we are supposedly, as the Prime Minister tells us, at the end of the era of austerity—good. That should be good for every citizen, but it should be good first and foremost for those who have done the right thing, for those who have looked after themselves and for those who reasonably could have expected the Government to protect them.

Tom Tugendhat (Tonbridge and Malling) (Con): Will my right hon. Friend give way?

Mr Davis: Sorry, but I am finishing on this point. I am pleased to say that I am back in the fray, on the Back Benches, and I hope that we can quickly slay this dragon, once and for all.

1.23 pm

Gordon Marsden (Blackpool South) (Lab): I join in congratulating the hon. Member for Harrow East (Bob Blackman) and his co-chair, my hon. Friend the Member for Leeds North East (Fabian Hamilton), who spoke earlier, on bringing this debate to the House today. I commend them for their longevity in this process, because this has been the "Bleak House" of the bleak house of scandals. I cannot remember how many people from the beginning of Charles Dickens's novel were still alive at the end, but this makes the point sharply.

I, too, think about all those people who have lost money in this process, with more than 2,000 of them in my constituency. My hon. Friend the Member for Stretford and Urmston (Kate Green) said that she had had a modest plan with Equitable Life, and so did I, probably along with lots of people in this House. But it is the people we have heard about this afternoon—those who thought this was a safety net, not a passport to riches or even comfortableness, in some cases—who have missed out and been let down. We have heard of the sorts of people that group included. I am not going to go through the whole list, but I do wish to pick up on the reference to small business owners and the self-employed, because this is a specific and important issue for my constituents.

In my constituency, we still have more than 400 guest-houses, bed and breakfasts, holiday flats, people in the visitor economy and hoteliers. We are talking about precisely the sort of people who would want to put money into a company like Equitable Life when times gave them a little extra money. Why shouldn't they? After all, one could look at the nice little crest on the front and everything else. This was a company founded, I believe, in 1759. I am told by the briefing from EMAG—I did not know this before today—that even Coleridge and Wordsworth were early investors in it. For someone looking for something that might do what it said on the tin, this was the sort of company to go for, but, sadly, as we have heard, that was not the case, so many of these people have missed out—the people who did that sort of thing.

Over the years, I have had dozens of people come to my surgeries who wanted to retire from their hotel or small business background but simply did not have the money to do so. Inevitably, that was not to do with Equitable Life for all of them. One of these people has written to me saying:

"I came to Blackpool 17 years ago with my wife and granddaughter to open and run a new Care home for mental health rehabilitation... For health reasons (and I was well past retirement age) we had to close the business... I really would appreciate any input you could bring to the debate"

with my example.

He continues:

"It would change our lives from having no spare money whatsoever every month. I suffered a seizure 7 weeks ago and am no longer allowed to drive. My wife is suffering from acute nerve pain... and is on morphine."

Another constituent wrote to me saying:

"In my own case, my losses... were £28,942.

I received a payment of £6,483.

This means that the money I am still owed amounts to £22,459.... The token 22.4% payment is a good start but does not solve the drastic depletion of my retirement funds.... A debt is a debt and if the government sidesteps every obligation by claiming unaffordability there would never be any public expenditure. The government regularly chooses where and when to shake the magic money tree."

I absolutely concur with my constituent's indignation in that area.

I also want to pay tribute to the local co-ordinators, who have worked hard to identify those involved and keep their spirits up. The Blackpool South EMAG co-ordinator, Mr William Fray, has written to me to ask me to press these points today.

Matt Rodda (Reading East) (Lab): Will my hon. Friend give way?

Gordon Marsden: I will but briefly, because we do not have a lot of time.

Matt Rodda: I fully concur with the points my hon. Friend and Conservative Members have made about the importance and dreadful nature of this scandal, and about the hard work that has been done by many local people. We have a group in my constituency, and its co-ordinator wrote me a moving and poignant letter about the problems that local people have as a result of the Equitable Life scandal: some 2,000 people in my constituency have suffered. Once again, I concur with what he is saying and thank him for making this valuable point.

Gordon Marsden: My hon. Friend makes a point of which everybody in the House will be cognisant. It is important to recognise the people who, totally off their own bat, giving their time and, in some cases, at their own expense, have taken this process forward.

I am not going to repeat the sorry history of the comings and goings and everything else. It is true that the coalition Government did accept the ombudsman's report, but neither they, nor their successors, including the current Government, have complied properly or fully with the ombudsman's judgment. I have been in this place for a long time, under Governments of all persuasions, and one develops a certain amount of cynicism as to when the shredder comes out. It is really important that the Minister guarantees today, in plain English, that the Government and their relevant agencies will retain the necessary data indefinitely. I would not like people to come back to the House in three or four years' time only to be told, "I'm terribly sorry, we thought we had the data but somehow it got shredded."

The Government have sold their interest in Lloyds and are reducing their stake in RBS, as we have heard. It would be fitting to use a small portion of the money recouped finally to settle the acknowledged debt to Equitable Life victims. From what we have heard today, it is absolutely clear to me that we need to deal with the people in an annuity situation. It is important that the Treasury does not leave money in its back pocket. It has great form in this area: I know from my Front-Bench role about the advanced learning loan money, only half of which has been spent by the Department for Education, with the other half now sitting in the Treasury's back pocket, to use the expression we heard earlier. One wonders what "affordability" means, and whether it is simply a case of the Government waiting for many of the people affected to become too enfeebled or no longer able to press their views. This issue is not only terrible morally, but foolish practically, because of the negative vibes it sends out.

Let me give the House an anecdote from many years ago, when I worked as a public affairs consultant for a number of clients. As part of the process, we very often employed self-employed people—perhaps journalists doing a public awareness campaign—or small businesses. I was relatively young at the time, so it took quite a bit of pluck to go and talk to our director of finance, but I had a distinguished medical journalist who had not been paid for ages for doing these public things for my clients. I went along and explained the situation, and I was told, "Well, we pay large businesses within around 30 to 40 days, we pay smaller suppliers within 60 to 90 days, and we pay self-employed people when we feel like it." I am not casting aspersions on any particular Minister, but for many of the people affected by this, it must feel like that is the case now.

I concur absolutely with the three demands made by the hon. Member for Harrow East at the beginning. Pensioner poverty is a key issue for so many of my constituents in Blackpool South, for a whole range of reasons, and for those in many other parts of the country, too. If we make progress in this area, those people will at least receive some of that safety net comfort that they should have had a long time ago.

1.33 pm

Maggie Throup (Erewash) (Con): It is a pleasure to follow the hon. Member for Blackpool South (Gordon Marsden). His description of the type of person affected by this scandal is very apt and applies throughout every constituency. I congratulate my hon. Friend the Member for Harrow East (Bob Blackman) on securing this important debate and thank him for all the hard work that he has put in over many years on behalf of the victims, and I thank every other member of the all-party group.

This debate gives me the opportunity to speak on behalf of the 1,400 Equitable Life policyholders and their dependants living in Erewash. There seem to be fewer than the number living in some other constituencies, but that number is still significant. The hon. Member for North Tyneside (Mary Glindon) said that she might repeat some of the things said by other Members; I will as well, and I will not apologise for it, because it is important that we are united on this issue, and if we repeat it enough times, hopefully those on the Treasury Bench will eventually listen.

Many of the victims of this national scandal come from a generation that was encouraged to plan for retirement, saving modestly for a rainy day. We need to continue to encourage all generations to plan for retirement, but scandals such as this one negatively impact on that ambition. My right hon. Friend the Member for New Forest West (Sir Desmond Swayne), who is unfortunately no longer in his place, so eloquently described that ambition, so I will not attempt to add anything further. He said everything that needed to be said about that.

As other Members have said, many Equitable Life victims are characterised as proud, hard-working people who previously worked in shops or factories, or who ran their own small business and invested their money in good faith, so as not to be a burden on the state or, indeed, their families in old age. Such are the conservative—with a small “c”—values that my party in particular has always championed, so it was only right that when we came into government in 2010, it was a Conservative Chancellor, the former Member for Tatton, who established a compensation scheme worth £1.5 billion to compensate policyholders who had been affected. But of course, as we all know, that was not enough.

Although the scheme initially only covered policies issued after 1 September 1992—an arbitrary date—it is important to recognise the steps that the Government have subsequently taken to compensate as many victims as possible, which mean that as it stands today, £5,000 is available to those who bought with-profits annuities from Equitable Life prior to September 1992, with a further £5,000 going to those on pension credit. Nevertheless, we need to do more. The stark reality is that, although the compensation is substantial, to date nearly a million savers have received less than a quarter of the losses they incurred when the Equitable Life scandal hit them.

With the compensation scheme now closed to new applicants, I make the case to my hon. Friend on the Treasury Bench that now is the time to unlock the remaining £140 million that is still in the scheme and use it to increase compensation before it is too late for victims to use in their retirement. Indeed, for many victims, the time for any other use of this contingency is running out. I wholeheartedly agree that a balance must

be struck between compensating victims and protecting the interests of taxpayers. However, I would also argue that if we do not take action now, we could end up actually increasing the cost to the public purse as we see more victims forced in their old age to turn to the state for financial support through the benefits system. As my hon. Friend the Member for Harrow East argued, any moneys paid out now will work their way back to the Treasury over time.

Let me turn briefly to regulation and the findings of the parliamentary ombudsman, who found that the losses suffered could be directly attributed to decades of serious, serial regulatory maladministration. As the UK is a global financial hub, it is vital, especially in a post-Brexit world, that the Government learn the lessons of the past and ensure that we have in place a regulatory framework that not only attracts investment but can retain investor confidence in our financial institutions, regardless of the size of the investment.

Joanna Cherry: The hon. Lady is making some good points, and I like the one about the dangers of undermining confidence in the financial sector. Does she agree that the financial sector is massively important not only to London but to Edinburgh, where my constituency is? Edinburgh has the second biggest financial sector in the UK. If we do not sort out the problem of regulation, confidence in the financial sector may be lost.

Maggie Throup: I completely agree with the hon. and learned Lady. Along with London and Edinburgh, Leeds is a great financial centre as well. It is important that we get this right to make sure we continue to have that confidence.

We are as united as ever not only on the Government Benches but, I believe, on the Opposition Benches too, in agreement that now is the time for victims of this preventable scandal to receive a final and fair package of compensation that they can use to fund their retirement. It is incumbent on the Government to learn the lessons identified in the parliamentary ombudsman's report, and to review and, if necessary, reform the regulations, to ensure that a situation like this can never happen again.

I congratulate my hon. Friend the Member for Harrow East again on securing this debate which, as we can see, has a lot of support on what is a very cold and potentially snowy Thursday afternoon. I look forward to hearing the Minister's response.

1.39 pm

Karen Lee (Lincoln) (Lab): It is estimated that there are around 1,500 victims of the Equitable Life scandal in Lincoln, and I have been working closely with some of them. After years of campaigning, nearly 1 million people are still being told that their compensation is limited to less than a quarter of the loss that they have suffered, and many of those savers are nurses, teachers, civil servants and shop workers. They are not people with stocks of wealth to keep them in their old age. They have worked hard all their life and put money aside for a secure and peaceful retirement, just as the Government advised them to do. It is therefore completely unjust to expect them to accept only a fraction of the losses caused by administrative errors that were out of their control.

In 2010, the Government accepted in full the parliamentary ombudsman's findings that the victims of the scandal should be promptly compensated for their losses, and that those losses were directly attributable to chronic failures by the Treasury and regulators. The former Chancellor, the previous Member for Tatton, stood up in this House in October 2010 and implied that, despite accepting the ombudsman's findings in full, the Government could not afford to allocate more than £1.5 billion for victims due to his choice of embarking on a damaging and counterproductive austerity project. It is worth remembering that, although there is cross-party support for this cause, every Member here knows that it was ordinary people who suffered under austerity, at the same time as very wealthy people got tax cuts, and those tax cuts were clearly the Government's priority at that point.

Dr Drew: Will my hon. Friend give way on that point?

Karen Lee: No, I will not. I want to make some progress.

The victims appear to have fallen between the cracks of the financial crisis, which saw our banking corporations bailed out while hard-working and responsible pensioners were left to suffer. This is not charity. This is repaying hard-earned and prudently saved money to its rightful owners, and that is surely something that we should be supporting. The Government's refusal to repay in full has real-life consequences. Hundreds of thousands of people across the UK have been denied the secure retirement that they made sacrifices for throughout their career.

In Lincoln, one of my constituents, Jill, has been fighting on behalf of local victims of this scandal. She said:

"My husband and I worked hard throughout our careers. We were devastated to find that all but a small proportion of our pension pot, for which we had saved so hard, has been lost to us. All we ask is that we are paid the money that is owed to us, and that we saved so hard for. I really hope that the Government will do the right thing and ensure that the thousands of claimants in Lincoln and across the UK finally get the pension they are entitled to."

If austerity really is over—I am holding my breath on that one—I sincerely hope that the Government will finally listen to Jill and the hundreds of thousands of others who have, through no fault of their own, been stripped of their hard-earned savings. It is time for the victims of this scandal to receive the justice that they deserve and the full pension repayment that they have been fighting for.

1.42 pm

Kevin Foster (Torbay) (Con): It is a pleasure to be called to speak in the debate, and also to have a chance to reflect on how some of my constituents have suffered as a result of what happened with Equitable Life. However, it is probably worth my saying briefly now that, over the past few years, the tax take from the wealthiest in society has gone up, not down.

Let me turn to the general focus of this debate. It is worth remembering that these investments would not have been seen as high risk. People would not have thought that their capital was linked to the performance of the stock market. They would not have thought that

they would lose their money entirely. They saw these investments as something for their lifetime savings—they used to be referred to as "widows and orphans" investments—and they would not have expected to lose the whole lot of their money. This was not buying shares in equity or playing on foreign exchange markets, when a person has to accept that there is a chance that they will lose not just what they think they might have gained, but the actual capital they invested. It is therefore understandable that this case has had much more of an impact on those affected than would have been the case had they been investing in the types of products with such enhanced risks.

I pay tribute to Usha Waygood, the co-ordinator of Torbay EMAG, for the determination that she has shown over many years, as well as for the information that she sent me ahead of this debate. It is worth reflecting on the fact that this is a business that ceased trading in 2000—19 years ago. It is clear that a total failure of regulation in relation to the company led to its collapse. The parliamentary ombudsman's report was compiled in 2008—long before many of us in the Chamber had even been elected as Members.

There was then—the hon. Member for Leeds North East (Fabian Hamilton) reflected on this in his interesting speech—a lack of response by the then Government, which was a huge concern. Thankfully, that situation was partially rectified in 2010, when we finally saw some action taken with the independent commission. It is worth saying people still saw only 22.4% of what they had lost paid to them.

To help me put that into perspective, I asked some of my constituents who had been affected to set out the cost to them. For example, Mr Brian Wills-Pope said:

"I have had 10% of the differences I should have got."

Mr Gordon Cook said:

"It has cost me about £5,000 per annum in pension."

Mr David Jones added that the loss was approximately £30,000. He was paid around £6,000 from the compensation fund in 2012. When Mr Robert Clee emailed me, he said that his pension had seriously depleted over the past 25 years, which coincided with his retirement, which he thought that he had provided for adequately. That is the issue: many of the investors were approaching retirement and therefore had little opportunity either to take on new work or to make alternative arrangements before they felt the full impact of the hit to their finances.

For me, this is about not just what happened—that has been well documented—but about what could happen next. I certainly join other Members in asking the Minister to look at retaining all the necessary data in perpetuity, given that there is an ongoing impact on those affected. That reassurance should certainly not be too difficult to give.

I am also interested in hearing a bit more about the point that has been made by some campaign groups in relation to the pre-1992 with-profits annuitants who could be given equality with later annuitants through the £140 million underspend from the £1.5 billion that has been cited. I am realistic—I accept that money does not grow on trees and cannot just be printed—but perhaps something could be done over the coming years. No one is saying that the money should be paid immediately. We accept that these are people who are looking for support over a period of time.

[Kevin Foster]

It is worth looking at some of the other impacts that resolving these issues would have. It is about a potential reliance not just on state—national—projects, but at a local government level, given the age of some of these people. Clearly they are starting to make social care payments, which would have been mitigated had they received the savings that they originally expected to have for their retirement.

It is vital that we reflect on how we ensure that people have confidence that this will not happen again—I am sure the Minister will consider that when he comes to respond to the debate.

Dr Drew: There is another problem. I wonder how many of our constituents have faith in the ombudsman, given that when it has made a recommendation, that has not, in any way, been seen through by Government.

Kevin Foster: I think that it is probably safe to say that there has been some action from this Government in responding to the recommendations of the parliamentary ombudsman, but this is about building faith and about people having confidence. Let me be blunt about this. There are those of us who have just turned 40. We want to make sure that those who are taking part in auto-enrolment and who are looking to retire in the future have the confidence to start putting money aside. Bluntly, I am putting money aside now for my pension. I will be 68 when I am entitled to take my state pension. I have to be confident that my money will still be there in 28 years' time. I accept that, as Members of Parliament, we are in a unique situation, but people in the workforce want to have confidence that if they put away money that they do not plan to access for 30, 40 or even 50 years, it will still be there. It is so vital that that confidence is there. Ultimately, the pension system, like any other savings and investment scheme, operates on the basis of confidence. People need to be confident that if they put money away, it will still be there. They need to understand the risk that they are taking at the time. As we touched on, people viewed these schemes then as a pension investment—a secure pot—not as a high-risk investment through which, yes, the returns might be high, but there was a clear and present risk to their capital as well as to any future profits.

I am conscious that we need to move on because we have another debate to follow, so I will draw my remarks to a close. I hope that we will be able to make progress and that people in Torbay who have been waiting for so long, and who probably would not have expected their MP to still be talking about this issue 19 years after the company's collapse, will have something to look forward to.

1.49 pm

Jim Shannon (Strangford) (DUP): I thank the hon. Member for Harrow East (Bob Blackman) for setting the scene, and the hon. Member for Leeds North East (Fabian Hamilton), who is not in his place, for his help in bringing this matter to the House for consideration. It is always a pleasure to follow the hon. Member for Torbay (Kevin Foster). He usually sweeps up on the Government side of the Chamber and I often do the same on the Opposition side, but we often agree. And

here we are again agreeing on an issue that he is interested in as the Member for Torbay, and that I am interested in as the Member for Strangford.

We all know the background to this story because we have spoken about it many times, but that does not take away one bit from the fact that, as the hon. Member for Harrow East said, it is as shocking today as it was back then. Like other hon. Members, I believe that we should honour the obligation and the pledge. The hon. Gentleman said that very clearly in his introduction. Well, I will tell the House something: I am also here to ask my Minister, of my Government, to honour that pledge. We look to the Minister for the satisfaction that our constituents need, and that is why each and every Member here is present today.

Let me gently break the issue down one more time, in the hope that the reality of the situation will provoke a greater scale of action some 20 years later. Let us remember that the Equitable Life victims are typically retired nurses, teachers, civil servants, factory workers, shop workers and small business owners who had no choice but to set up a personal pension. Before I was elected to this place in 2010, I was a Member of the Legislative Assembly in Northern Ireland, and one issue that came to my attention then was that of the Equitable Life policyholders, especially as there are dozens in my Strangford constituency. Unfortunately, some of them have passed on, so they never had the satisfaction of seeing this being addressed. I am here to uphold the policies of the people who are still living and to express some disquiet about those who have not had that satisfaction. With all our busyness as Assembly Members and MPs, I tried to address this matter along with many other Members, because this is not just Jim Shannon; this is everybody together—Members of all parties, on both sides of the Chamber—recognising that a wrong has to be righted.

There are people who have worked hard and worked away to secure their retirement, but to date almost 1 million pension savers have received less than a quarter—some 22%—of the losses they incurred when the Equitable Life Assurance Society nearly collapsed. Just before I was elected to this place in 2010, I was contacted by people in my constituency who had been stung by the Equitable Life scandal, and they all pointed to the fact that the parliamentary ombudsman clearly concluded in 2008 that the victims' loss was directly attributable to a decade of serious, serial regulatory maladministration. In fact, just last year the Treasury admitted that it was culpable for the scandal. That is the story, so we look again to the Minister for his response.

In 2010, I can well remember the Government accepting that victims' losses amounted to £4.3 billion, and I was disappointed at the allocation of £1.5 billion for compensation—a decision that was justified on the basis of the perilous state of the public finances, as other Members have mentioned. I was a member of the APPG that secured a small victory in 2010 with the passage of the Equitable Life (Payments) Act 2010 and the establishment of a scheme to pay limited compensation to qualifying Equitable Life members. But this payment was not enough, and the people who are missing out are the most vulnerable. The compensation amounted to only 22.4% of the relative losses of 895,000 traced pension savers. This was the sum left after compensating the people with annuities who had already retired.

Ensuring that this large cohort of pension savers receive the unpaid balance of the full 100% of their relative losses would cost £2.6 billion. May I suggest that, when our finances are better, this small figure should be considered in order to bring the situation to a conclusion?

In the 2013 Budget, a cohort of 9,200 with-profits annuitants who took out contracts before 1992 received only £5,000 each, or £10,000 if they were eligible for pension credit. I stand today to support the call for these victims, who are the oldest and most vulnerable, to be afforded the same treatment as their younger counterparts, who bought their annuities later. We have a duty to deliver this. It would cost an estimated £100 million and could be funded today from the unspent £140 million in the Treasury's coffers from the current scheme. If the money is there, let us do what is right. It seems like simple mathematics to me.

I am well known as someone who does not advocate borrowing like there is no tomorrow. I have a bit of Ulster Scots in me—every pound's a prisoner. We are very careful in what we do, and that was instilled in me by my mum and dad.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Only the good book.

Jim Shannon: Absolutely. Joking aside, the mathematics are plain. I understand that it is my children and grandchildren who will be paying off our debts for their whole lives, and I am supportive of efforts to reduce the deficit, although this cannot be done at the expense of those who are vulnerable and ill. More focus should be put on the higher rate tax bracket, but that is a debate for another day.

We have brought down the deficit and are no longer in a position of a financial crisis. I thank the Government for that because they worked hard to make it happen, and we support them—well done. Therefore, there could well be a time when we can do what is right by every person affected by the maladministration.

A briefing provided to me has outlined the fact that Equitable Life victims were pushed to one side as a direct consequence of the timing of the 2008 financial crisis, which saw the UK's banking corporations bailed out while hard-working and responsible pension savers took the hit. Now that the Government have sold their interest in Lloyds and are reducing their stake in RBS, it would be fitting to use a small portion of the money recouped to finally settle the acknowledged debt to Equitable Life victims. There is a clear cross-party consensus, from right hon. and hon. Members on both sides of the Chamber who have a real heart for their constituents—for Equitable Life members who have policies that need to be delivered. It is so important that we honour that pledge, but to be able to do this we must be able to retain the necessary information.

Like other Members, I ask the City Minister to guarantee that Her Majesty's Treasury and other relevant agencies will retain indefinitely the necessary data—addresses, policy numbers and amounts paid—to make the further future repayments that we are calling for. If he were to provide this assurance on the Floor of the House, it would provide a great deal of comfort to Equitable Life victims that there is hope for the future. I say very gently to everyone here that our duty is to deliver for our constituents. We are in this House because

they voted for us, and we are here today to put forward their case. It is a collective decision of all Members present to request that these things happen.

Time has beaten me but I must stress one last time, on behalf of the Democratic Unionist party, that these people are victims. We have outlined wrongdoings and maladministration, and have paid out a small amount of money that is due. If we are in the position to do more, we must ensure that we do. But, more importantly, we must send the message that we are actually willing to do that; that it what it is really all about.

1.57 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Today we have heard a powerful and consistent voice across this Chamber to end this scandal. I pay tribute to the hon. Member for Harrow East (Bob Blackman) for bringing this debate to the House. Like all former councillors, he cut straight to the heart of the matter and how it affects people's daily lives, and he did so with eloquence and controlled anger. He is right to be angry on behalf of the people who have been affected by this scandal. He laid out the history and pointed out that it is a Ponzi scheme, and he is right that it has been a web of greed and exploitation leading people to this point. I add my voice to his clamour for the Government to honour, in full, the support needed by the victims, and I back his three asks in getting past this situation.

The hon. Member for Leeds North East (Fabian Hamilton), who is not in his place, talked about the life-changing negative effects of this issue, and has been a constant champion of the victims. [*Interruption.*] I am glad that he returned in time to hear me say that. He mentioned the report that described a decade of regulatory failure. It gave a well-informed exposition of the issue, and mentioned two shocking statistics—that 100,000 cannot be traced and over 15,000 people have died. What a disgrace.

The right hon. Member for New Forest West (Sir Desmond Swayne) and the hon. Member for Torbay (Kevin Foster) asked how people having to save for their retirement can have confidence in the system when this matter has been allowed to drag on in this way and left in this state of affairs. They also, quite rightly, pointed out that this is creating a framework for hostility towards pension saving. The hon. Member for North Tyneside (Mary Glendon) underlined those points. The right hon. Member for Haltemprice and Howden (Mr Davis), who is no longer in his place, said that it was a failure of Government to have dealt only partly with this. He should know. He is an expert in failures of Government, so we should listen to him.

The hon. Member for Blackpool South (Gordon Marsden) said that there was a "Bleak House"-type history to this, and, as many others did subsequently, talked about the opportunity to get some of the money back on the RBS shares as a way of settling this scandal for people. That should be taken on board. The hon. Member for Strangford (Jim Shannon) talked about the choices that Governments make. As a DUP MP, he knows about the choices that this Government make in terms of spending their money. There are lessons to be learned by Government Front Benchers on this. The hon. Member for Erewash (Maggie Throup) also underlined some of the things that need to be done by the Government, so I hope that the ministerial earplugs were left behind before the Minister came into the Chamber today.

[Drew Hendry]

Let us be clear: the only thing equitable in this whole saga is the name “Equitable”; everything else about it has been rotten. This scandal has simply been allowed to continue beyond any reasonable timeframe. So as Equitable Life is finally wound up, the UK must now, belatedly, ensure that justice is delivered for those affected by this scandal. That means dealing with the issue of compensation, and that can only be done when the loss is fully quantified by negotiating the correct sums involved. The EMAG website states that the £1.5 billion covers only 20% of the losses incurred and argues that there should be Government action to pay full compensation. At the moment, there is a huge gap between what is required and what the Government have set aside in their £500 million fund. I ask the Minister: when will the compensation be fully agreed?

In June 2018, it was announced that Equitable Life would finally be shutting down, with a surprise £6,900-a-head windfall for the last remaining policyholders, while about 261,000 people will have a share in a £1.8 billion pay-out following the transfer of its business, Reliance Life, through unlocked capital. That is good news, perhaps, for those who have hung around, but the 800,000 former policyholders—the vast majority—who were shifted to other providers or encouraged to cash in and cut their losses will get nothing from that. EMAG says that policyholders who left Equitable Life will still remain £2.5 billion out of pocket. As Paul Braithwaite of EMAG said:

“Equitable has crafted an elegant termination strategy for the small number of remaining members, but it will be no benefit to the vast majority of victims. If the remaining members vote in favour of this deal, they are likely to come out ahead. But for every one of them, there are five who left the society who are much worse off.”

That vote, as we know, will go ahead in the coming months.

The UK Government must now finally deal with the outstanding injustices felt by these aggrieved policyholders. Those people saved throughout their lives. They were encouraged—told—to do so by successive Governments in this place. They lost the savings they had entrusted to those whom the Government, in turn, had entrusted to look after them. The Government have not only failed them—they have failed to treat this with the due urgency it requires, or, indeed, the compassion it requires. They failed to compensate them, and that must be put right now. In doing so, the Government must consider the deep impact that scandals such as Equitable Life have on public confidence in pension schemes, and how they could end up actually deterring those who should be saving for their future needs. I therefore say to the Minister: “Let us make a commitment. Let us hear that from you to end the scandal, to belatedly make amends, to make it right, to make it fair, and, with no irony intended, to make it equitable for all those who have suffered.”

2.4 pm

Clive Lewis (Norwich South) (Lab): I thank the hon. Member for Harrow East (Bob Blackman) for securing this debate, which has been thoughtful and considered. Both he and my hon. Friend the Member for Leeds North East (Fabian Hamilton) have persisted to ensure

that this important issue remains high on the political agenda over the years. They have worked tirelessly and they should be commended by this House.

The hon. Member for Harrow East set out the situation clearly, and it is a very unsettling picture. Hon. Members have spoken of the debt of honour and of the erosion of trust in this House that we face for failing to rectify this injustice. My hon. Friend the Member for Stretford and Urmston (Kate Green) said that she herself has been affected by the collapse of Equitable Life, highlighting the sheer scale of the impact this issue has had across the country. My hon. Friend the Member for Lincoln (Karen Lee) explained how it has affected people across a wide swathe of society—nurses, doctors, teachers and civil servants. Hon. Members have spoken of the despair and distress that this failure and collapse has caused to so many of our constituents. My hon. Friend the Member for Leeds North East described it as one of the greatest financial scandals of the modern age. I hope that the Minister has heard the clear and unambiguous views of many Members from across the Chamber.

As has been set out, this issue stretches all the way back to 2000, when Equitable Life Assurance Society closed to new business and was forced to acknowledge that it could not deliver for its policyholders, leaving up to 1 million people out of pocket through no fault of their own. Following the society’s collapse, the Government of the day set up the independent Penrose inquiry, which raised serious questions about the practices that had been happening at Equitable Life. This decade of mismanagement, combined with maladministration, was a major contributor to the society’s collapse. As we have heard, the Penrose inquiry was followed by an ombudsman report in 2008 that found that this mismanagement had corresponded with

“a decade of regulatory failure”.

This included an inadequate response to the chief executive’s appointment; inadequacy of advice by the Government Actuary’s Department; and poor transparency on the part of other Departments, including the Treasury.

In 2009, the Government apologised and appointed an independent adviser, Sir John Chadwick, to provide guidance on how to determine and resolve various technical issues. During this time, both the European Parliament and the Public Administration Committee had published sympathetic independent reports. It is worth noting that in 2010, the Conservative party manifesto, as many Members have mentioned, included a commitment to making

“fair and transparent payments to Equitable Life policy holders”.

All this culminated in a payment worth £1.5 billion in compensation to policyholders. As we have heard, the Equitable Members Action Group campaigners remain unsatisfied with this response, arguing that their losses amounted to more than £4 billion. This leaves a significant disparity in the losses faced and compensation awarded that so far has not been adequately explained or addressed by the Government. Instead, the Chadwick report of July 2010 concluded that relative loss should be defined as “those who have suffered financial loss”, but pointed out that the ombudsman recognised that losses in policy values were only partly due to maladministration, and that the backdrop to cuts in policy values was a sharp

fall in world stock markets that all life insurance companies were forced to respond to. Similarly, the report argued that compensation should be assessed on the cost of maladministration as opposed to the size of investor losses.

However, we are politicians, and we can revisit decisions and choices. The Minister has been asked to consider carefully whether the Government should make different decisions or choices today, with the benefit of hindsight. After all, regardless of how fault is distributed among the institutions involved, these policyholders have found themselves significantly out of pocket, through no wrongdoing of their own.

Many Members from across the House, including colleagues from the shadow Front Bench, as well as the leader of the Labour party, have met the campaign to listen to its concerns and the full details of the case. I would therefore like to ask the Minister whether he has met the campaign, and whether he might consider doing so in the days following this debate, to hear its case directly.

Given that the Government have accepted that there were regulatory failures and offered some compensation already, they may be open to further discussions, to respond to the clear dissatisfaction that so many policyholders feel about how this matter was resolved. I hope the Minister will give a clearer sense of the Government's willingness to look again at this matter.

My hon. Friend the Member for North Tyneside (Mary Glindon) raised the important matter of policyholders' data. The campaign is anxious that the necessary data is retained, to ensure that policyholders can be identified were there to be a change in Government policy. The campaign has hoped for reassurance from the Minister, and perhaps we will have that today.

Lastly, while I have discussed the position of Equitable Life policyholders throughout my speech, there is also the question of the regulatory environment now. We have to ensure that lessons have been learned, so that such an awful case can never happen again. The regulatory frameworks that operate in this country must be continually stress-tested and reviewed. Regulatory organisations need the appropriate resources to ensure that proper regulation occurs. We have to consider that 100 or 150 people are looking at 200 insurance companies. What protections have the Government put in place to guarantee that similar regulatory failures cannot happen again? That seems an important consideration, not only to reflect on the past and seek justice for those affected, but to ensure that we do not repeat the same mistakes.

I hope the Minister will be able to offer a satisfactory answer to the questions I have raised. Clearly a serious injustice was faced by policyholders at Equitable Life, which has been the source of much discussion, inquiry and debate over many years, yet those affected do not feel that this has been resolved adequately. The Government have looked at this matter before, and I hope they will resolve to look at it again and begin a full and proper process of consultation with the campaign. Ultimately, people's savings are in question, lost through no fault or wrongdoing of their own but a combination of factors outside their control. I look forward to the Minister's response.

2.11 pm

The Economic Secretary to the Treasury (John Glen):

It is a privilege to respond to the debate. First, I congratulate my hon. Friend the Member for Harrow East (Bob Blackman) and the hon. Member for Leeds North East (Fabian Hamilton) on their tireless work on this issue, which has helped the Government to achieve so much. I attended a meeting of the all-party parliamentary group for justice for Equitable Life policyholders last September, and the respect of colleagues on both sides of the House for those Members' work was clear.

This well-documented topic has been explored once again in detail today, with 10 eloquent and measured speeches by Members on both sides of the House. I need to declare an interest. My father worked in a glasshouse nursery all his life and paid in modest sums each month to Equitable Life. He received the compensation of 22.4% to a bond that he was paying into. Sadly, he died of mesothelioma aged 69, just two years ago. I know that it was a matter of grave concern for him, and he took the money and invested it somewhere else. I am very familiar with the long history of this case.

I want to take this opportunity to remind Members that, on this issue, this Government have taken more action than any previous one. Using the ombudsman's findings, we determined the reduced returns that policyholders received to be £4.1 billion. That is significantly more than the £340 million arrived at by the previous Labour Government in the Chadwick review, which was then dismissed. That increase is because we generously assumed that every new investor consulted the incorrect regulatory returns and, on the sole basis of those returns, made an investment.

In 2010, we announced that up to £1.5 billion would be made available for payments. Those payments were tax-free, which increased their value even more. Out of that £1.5 billion, following representations from groups such as the Equitable Members Action Group, we decided to pay the group of with-profits annuitants in full. The total cost of those annual payments was estimated to be around £625 million. As several Members have mentioned, there is an additional £100 million contingency fund in place to provide for annuitants should they live longer than their actuarial forecast, and we expect the contingency to be drawn on from the middle of the next decade. The remaining funding was distributed pro rata to remaining eligible policyholders. The scheme operated successfully for around five years, and in 2016 the operation was wound down.

There has, reasonably, been a degree of repetition in the asks made today, and three key points were raised. I have listened closely to those representations, and I would like to deal with some of them in turn. First, I have received suggestions that all policyholder records should be retained indefinitely, in case further payments are made. There has been correspondence between the Treasury and the APPG on that matter, and I can assure Members that relevant records are currently retained and will continue to be as long as it is legal. I can reassure the House that there are no plans to destroy any records.

Secondly, I am aware that some are dissatisfied with the £1.5 billion and suggest that it is incompatible with the ombudsman's report. However, Members will be aware that the ombudsman wrote to the APPG on that

[John Glen]

issue and said that the Government's decisions could not be said to be incompatible with her report. That spending decision was taken in the wider context of other spending priorities. I recognise that there is a whole range of opinions about spending priorities. That is what we do—we make relative decisions. This decision needed to be fair to the taxpayer, who funded these payments, and £1.5 billion was, on balance, judged to be the most appropriate figure.

I want to be clear: when this settlement was made, it was not subject to future review by the Government. I note the inference by the APPG and Members from the statement at the time, but no specific commitment was made to return to that calculation. No obligation linked it to the future state of public finances. There have been representations that this issue should be reopened and that a further £2.6 billion should be paid to policyholders. The Government's position on this is clear, and I have set it out in my letters to the APPG and my meeting with it last year. Being in government is about making difficult decisions. Our decision was to spend £1.5 billion, reversing and multiplying by four the previous Government's dismissal of a commitment to £340 million. These difficult decisions are about how to be fair to both hard-working taxpayers and those in receipt of public spending and services, and where the need to spend public money is greatest.

I acknowledge the point made by my right hon. Friend the Member for New Forest West (Sir Desmond Swayne) concerning the imperative to provide for the next generation and, as several Members said, to restore trust in pensions and pension savings. There is cross-party consensus on that, and both parties have worked hard to achieve a lot in terms of auto-enrolment. There is more work to be done in that space. None the less, the House will recognise that the opportunity cost to the Exchequer of paying a further £2.6 billion is funding the salaries of 67,000 teachers, or 112,000 new nurses.

Gordon Marsden: I am listening with some concern, as I am sure other Members are, to what appears to be an edging further and further away from the commitments that we have all asked for this afternoon. The Minister talks about priorities. We could spend three hours in this Chamber talking about the priorities that this Government have given to tax cuts and other things. He needs to choose his words carefully in responding to what has been said.

John Glen: I will choose my words carefully, but it is undeniable that after 13 years in government, the previous Labour Government—

Gordon Marsden: Stop playing party politics.

John Glen: It is not about party politics; it is about saying that when we came into government, in the absence of a resolution to this matter, we increased the figure from £340 million, which the last Labour Government were proposing, to more than £1.5 billion. In the light of those facts, it is a bit unreasonable to criticise what I am saying. While I appreciate and empathise with the fact that some policyholders who have invested their funds have not received the funds that they hoped for, like my late father, and that this impacted on their plans

and futures, we have taken the best action that we could have to resolve the Government's part in these reduced returns. We have done more than any previous Government.

I draw colleagues' attention to Equitable Life's own research from 2011, which suggested that their policyholders wanted the Government compensation to draw a line under this issue. I agree with them. The Government's view is that this issue is now closed, and as a Minister I have never been in the business of offering false hope.

2.20 pm

Bob Blackman: With the leave of the House, I would like to thank the 10 right hon. and hon. Members who have spoken in the debate and the numerous other colleagues who made interventions. I regard the Minister as an honourable Friend, and I understand that he has to maintain a solid line from the Treasury and the Chancellor. That is clearly his job, but the 1 million people out there who are victims of this scandal will be disappointed with what my hon. Friend has had to say. The reality is that we have a debt of honour. I believe that we should repay that debt. It can be done over a period, not necessarily all at once, as we have said during the debate.

Drew Hendry: Will the hon. Gentleman give way?

Bob Blackman (Harrow East) (Con): I am summing up, and I have to keep very tightly to time.

I am grateful for all the praise that has been heaped on me and the hon. Member for Leeds North East (Fabian Hamilton) for the campaign that we have continued to run. I would much rather that the Government honoured the commitment that we all made in 2010 to deliver full compensation for the victims of the scandal. During the debate, our membership of the all-party parliamentary group has increased yet again. We now have 238 members, and we have been joined by no less a figure than the right hon. Member for Doncaster North (Edward Miliband), the former leader of the Labour party.

If the Government do not wake up to the fact that, on a cross-Bench basis, we are determined to get justice for Equitable Life policyholders, they may find that if they do not do the right thing it will be forced upon them.

Question put and agreed to.

Resolved,

That this House welcomes the Government's acceptance in full of the Parliamentary Ombudsman's findings in relation to its maladministration with regard to Equitable Life; notes that the Parliamentary Ombudsman recommended that policy holders should be put back in the position they would have been in had maladministration not occurred; further notes that the overwhelming majority of victims have only received partial compensation compared to the confirmed losses directly attributed to regulatory failures; and calls on the Government to make a commitment to provide full compensation to victims of the scandal with the end of austerity now in sight.

Matt Rodda: On a point of order, Madam Deputy Speaker. During my brief intervention during the debate I was unable to mention that I have a close relative who was one of the policyholders and he has suffered as a result. I should like to add that for the benefit of the record.

Madam Deputy Speaker (Dame Rosie Winterton): I thank the hon. Member for his intervention and for giving me prior notice of it. I am sure that the House will appreciate it that as soon as possible he has been able to register the fact that he had a relative who was involved in the scheme.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): On a point of order, Madam Deputy Speaker. I understand that at business questions today the Leader of the House was asked by the right hon. Member for West Dorset (Sir Oliver Letwin) what the timetable would be if, when she puts her withdrawal agreement or a deal to the House again it is voted down. He asked whether in those circumstances an amendable motion would be laid the following day. My understanding is that the Leader of the House did not give a positive reply to that and did not suggest that it would be tabled the following day, even though the Prime Minister said in her statement that in those circumstances if the deal was voted down again she would table an amendable motion for debate the next day.

There is real alarm about the discrepancy between what the Prime Minister said and what the Leader of the House said. Have you heard anything from the Government about whether they are trying to change the proposals that the Government put forward and, if they are not, why was the statement of the Leader of the House different?

Madam Deputy Speaker: I thank the right hon. Lady for her point of order. I am afraid that I was not here to hear what the Leader of the House said. It is not for the Chair to rule on possible discrepancies, if there are any, between statements from one Minister or another. However, she has put her concern on the record. The Treasury Bench will have heard her concerns. There is obviously the opportunity at business questions next week to raise this, but in the meantime if further clarification is required I am sure that the right hon. Lady will know that there are various ways in which she can raise that in the course of next week.

Jim Shannon (Strangford) (DUP): Further to that point of order, Madam Deputy Speaker. I was here for business questions and I had the opportunity to hear the response from the Leader of the House. Perhaps my hearing is not as good as everybody else's, but I heard her say that it would take place the next day. That was the assurance, which was similar to what the Prime Minister said. Perhaps I heard her wrong, but I can say genuinely that I heard her confirm that, and I want to put that on the record.

Madam Deputy Speaker: The hon. Gentleman has put his finger on the different interpretations that have been made of what the Leader of the House said. However, as I say, those on the Treasury Bench will have heard that there is perhaps a little confusion about exactly the position, and that it might be wise to clarify that before too long.

Maintained Nursery Schools

2.26 pm

Lucy Powell (Manchester Central) (Lab/Co-op): I beg to move,

That this House notes that state maintained nursery schools are at the forefront of tackling low social mobility with 63 per cent graded outstanding by Ofsted, and 35 per cent good; further notes that two thirds of maintained nursery schools are located in the 30 per cent most deprived areas in England; notes that maintained nursery schools are recognised as being centres of excellence for supporting children with SEND in the early years; notes that the whole early years sector benefits from the expertise of maintained nursery schools acting as catalysts to raise standards in their locality through supporting schools and early years settings to work together to improve their quality; notes that despite welcome transitional funding the future viability of maintained nursery schools is under threat with 12 closing since 2016; notes the loss of transitional funding is equivalent to a 31 per cent cut in funding; and calls on the Government to safeguard the future of these vital early years institutions by guaranteeing transitional funding after 2020 as soon as possible whilst a long term plan to ensure their future viability is found by the Comprehensive Spending Review.

I thank the Backbench Business Committee for granting this important debate, and thank right hon. and hon. Members who have supported it, especially those who serve on the all-party parliamentary group with me as officers—the hon. Member for Cheadle (Mary Robinson) and my hon. Friends the Members for Birmingham, Erdington (Jack Dromey) and for Birmingham, Yardley (Jess Phillips). I also thank the right hon. Member for Harlow (Robert Halfon), who could not be here today because he has a ministerial visit in his constituency. He is another primary sponsor of the debate.

I would also like to put on record my thanks to the Minister who will be responding to the debate and the shadow Minister, my hon. Friend the Member for Batley and Spennings (Tracy Brabin), both of whom have engaged thoughtfully and in a committed way with the APPG on nursery schools. I know that both of them share my commitment to the viability and sustainability of schools.

I want to put the Government and the Treasury on notice that we now need the warm words and commitment of the Department for Education backed up with the commitment of some real cash, which we need urgently. Our maintained nursery schools are some of the most excellent institutions in our education system. They transform lives, especially for the most vulnerable. They are what I often describe as the jewel in the crown of social mobility. Ofsted has judged 63% of them as outstanding, and the remaining 35% as good. That is nearly three times the number of private and voluntary nurseries rated as such.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate my hon. Friend on collating the petitions from various parts of the country. In Coventry the headteacher at Hill Fields nursery, Mrs Brinson, is always concerned about the inadequacy of funding, but more importantly about the fact that there are no guarantees beyond 2020. Does my hon. Friend hope, like me, that the Minister will rectify that when he winds up?

Lucy Powell: I thank my hon. Friend for that intervention. He is right. This is the key issue. It is about by when we need this funding commitment. I hope that the Minister

[Lucy Powell]

will get a strong signal from the House that he can take back to the Treasury and get the commitment that we need.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): I congratulate my hon. Friend on having secured this important debate about the sustainability of maintained nursery schools. More than 1,500 very concerned Slough constituents have signed petitions on this very issue from Slough Centre, Cippenham, Chalvey, Baylis Court and Lea nurseries. Does my hon. Friend agree that if we are to ensure the brightest possible future for our young children, we need to invest properly in their education from an early years nursery stage?

Lucy Powell: My hon. Friend has made a very good point. We will be handing in a number of petitions in the House next week. We know that the single biggest indicator of how well children will do in their GCSEs is their developmental level at the age of five. That is why the critical early years are so important.

Richard Burden (Birmingham, Northfield) (Lab): I congratulate my hon. Friend and the all-party parliamentary group on the excellent work that they have done so far. The figure of 64% is striking in this context: 64% of nursery schools are in the most deprived parts of the country, and 64% of nursery schools face a deficit unless the Government change course. Do those two identical percentages not indicate that nursery schools need a fairer funding settlement?

Lucy Powell: I fully agree with my hon. Friend. He has, in fact, summarised my entire speech in one sentence, so perhaps I will cut it down a bit.

Let me return to the value of our maintained nursery schools, and explain why they are the jewel in the crown. Their admissions policies prioritise children with the greatest need: they have a strong track record of boosting early development for all children, but especially the most vulnerable. As my hon. Friend has just said, they are located in some of the most deprived parts of the country. We are always seeking to ensure that the highest-quality education is provided in the areas of most need, and we have achieved that with our maintained nursery schools. They have a unique pool of expertise in supporting children with special educational needs and disabilities—about one in five children in maintained nursery schools has special educational needs—but they also apply their expertise to many other aspects of provision. They have a network of teaching school alliances, and work holistically with other services in their areas. They are family hubs in all but name.

Why, then, are we worried about the sustainability of these schools? As the Minister knows, we have had similar debates before. Because of the campaigning that we did a few years ago, the Government committed themselves to transitional funding of £60 million for three years to keep the schools going, but that money is about to run out. Decisions are being made now about future staffing and place provision, and, unfortunately, they are having to be made in the context of not knowing whether the funding will continue.

Matthew Pennycook (Greenwich and Woolwich) (Lab): Will my hon. Friend give way?

Lucy Powell: I will take one more intervention.

Matthew Pennycook: There are three outstanding maintained nursery schools in my constituency, as my hon. Friend knows. She has visited one of them. Each of them is telling me that three-year budget planning, which is a requirement, is impossible when they do not know how much money will be provided. They cannot wait for the spending review, whose date might slip.

Lucy Powell: My hon. Friend is absolutely right. I have indeed visited one of the schools in his constituency, and it is an exemplar of what is so good about the sector.

It is a false economy to allow maintained nursery schools to close. A report published recently by Yorkshire and Lincolnshire local authorities about the “hidden benefits” of maintained nursery schools showed that if they were not there, it would cost other services more than £1.2 million a year, which is considerably more than the budget of those schools.

Why have we reached the point at which we have these funding problems? Unfortunately, a perfect storm is facing our maintained nursery schools. Because of the recently introduced changes in the early years funding formula, local authorities no longer have the additional discretion to subsidise high-quality nursery schools. The 30-hours funding formula has put extra pressure on the schools, because they do not get all the funding back for taking children for 30 hours. Because maintained nursery schools are schools, they have the overheads of schools, including the costs of headteachers, special educational needs co-ordinators and others, but that is often not recognised in their funding formula.

Another factor in the perfect storm is the dramatic cut in local authorities’ funding. If, as proposed, deprivation will no longer be taken into account in the local authority funding formula, the sector will be decimated. We are already seeing the impact of that perfect storm, and we are nearing the transitional funding cliff edge. New figures confirmed by the House of Commons Library, which I have published today, show that nursery schools will lose nearly a third of their funding in 2020 if supplementary funding is not continued. We are now seeing the dire situation in which many nursery schools find themselves. More than a fifth of them are in the red, and the figure has risen significantly over the last few years.

Stephen Timms (East Ham) (Lab): Will my hon. Friend give way?

Lucy Powell: I will take one more intervention.

Stephen Timms: My hon. Friend is making a powerful case. Does she agree that it is pretty shocking that nursery schools are having to decide now about admissions in September without knowing what their budget for the whole of the next academic year will be?

Lucy Powell: As always, my right hon. Friend is absolutely right. It is probably a consequence of Brexit—among other things—that the spending review has been pushed back and pushed back without people realising the impact that that is having on organisations that have been waiting for funding decisions, and especially on maintained nursery schools.

I have taken a number of interventions, so I will cut out some of what I had been going to say.

Tim Loughton (East Worthing and Shoreham) (Con): Will the hon. Lady give way?

Lucy Powell: Yes, I will take one more intervention, because I have cut my speech down.

Tim Loughton: The hon. Lady is being terribly generous. It took us only nine minutes to get to Brexit, but let us get back because this is the subject that we need to talk about.

There is an outstanding nursery school in my constituency, Boundstone in Lancing, which is in a deprived area and does a fantastic job. Because of cuts, it is now having to curtail the number of children under two whom it takes for day care. It is co-located with a children's centre. Does the hon. Lady agree that we need to look at the bigger picture? The impact—the knock-on effect—of not offering that care, which is respite care in some cases, on the safeguarding, social care and disability support offered by the local authority will be serious. It may well be a false economy, financially let alone socially, preventing the advancement of children who benefit from an excellent service in many nursery schools.

Lucy Powell: I could not agree more. As I said earlier, it would indeed be a false economy. Very few maintained nursery schools are merely providers of early education, high-quality though that is. Nearly all of them provide holistic support services for families in the early years. I believe that that is the direction of travel of Government policy, given a new review by the Leader of the House, and I know that the Minister and the Secretary of State are very committed to this agenda and have made a number of interventions recently. It would be a crying shame for the main institutions that support this work in some of our most deprived communities to be lost by stealth and through inaction rather than as a result of a deliberate strategy.

I do not want to pre-empt the Minister, but I know what he is likely to say today, because we have had this conversation many times. I am sure he will want to emphasise to local authorities that he does not want them to close nursery schools, but we must be honest: local authorities do not have the slack in their budgets. They are facing huge cuts themselves, especially in many of the areas where these schools operate, and further cuts are coming up the track. It really is the Government's responsibility—as they have recognised in the past with their transitional funding arrangement—to ensure that the funds are there and secure for the long term. The Local Government Association has found that 61% of local authorities fear that maintained nursery schools will close unless the Government provide additional funding, and that fear is echoed in a report by London councils. I sent both reports to the Minister before Christmas.

We have heard time and again that Ministers are committed to keeping maintained nursery schools open, but those schools cannot wait for decisions that now look like not being made until the autumn. They need certainty this financial year. In the grand scheme of things, £60 million a year, for what these nursery schools offer, is a very small amount of money. I know the Minister agrees it would be social vandalism of the

worst kind to let them go by default, even though we do not want them to go, simply because we cannot find the pot of money to keep them open.

The Minister has my full support in taking this case to the Treasury. I am sure that every speaker today will support him in making the strongest possible case to the Treasury. If he wants to come back to the House and ask for more support, I am sure we will give it to him. I hope he will take away today the very strong message that the transitional funding, which is about to run out, needs to be replaced this financial year.

2.40 pm

Gillian Keegan (Chichester) (Con): It is a pleasure to follow the hon. Member for Manchester Central (Lucy Powell). I thank her for securing the debate and for the wonderful work she does as chair of the all-party group on nursery schools, nursery and reception classes.

I am grateful for the opportunity to make a small contribution to this debate, and I will start by drawing attention to the brilliant work that staff and support teams at maintained nursery schools do to provide some of the best early years education to our young children. It is no coincidence that almost 98% of maintained nursery schools are rated as good or outstanding by Ofsted. They are key drivers of social mobility and provide exceptional services and resources to children in their care. They offer superb support networks for children and their families, and deliver an excellent education that allows for greater personal development.

Chichester Nursery School in my constituency is a brilliant example. When I visited recently, I was impressed by the wonderful facilities and workshop areas, and I was not surprised to find it had been rated as outstanding in its latest Ofsted report. It is first rate. It was clear that the children were fully engaged with a wide range of enriching activities, both inside and outside the classroom, from crafts, technology and painting, to dressing up and woodwork—three-year-olds were filing, cutting and sawing wood, cooking in mud kitchens, and participating in a variety of educational activities to rival any household in the country. It was wonderful to see, especially since many of them might not have had all that at home. They might not have been learning to ride a bike aged two or three if not for this nursery school.

The staff were eager to tailor educational experiences to the needs of their pupils. It is that level of care and support that gives the children the best start in life, and the personalised care offered is certainly helped by the fact that all the teachers need a level 3 teaching qualification, but having highly qualified staff naturally means higher operating costs. In that regard, I was recently contacted by Ruth Campbell, the new headteacher at the nursery school, who raised with me the concerns mentioned today about the future of maintained school funding.

The announcement in 2017 that the Government would sustain funding for maintained schools through to 2020 was warmly welcomed. The amount is just over £60 million per year. At the time, it provided certainty to headteachers such as Ruth, enabling them to produce medium-term plans for staffing allocations and to calculate what resources and equipment their school could afford in each academic year. However, the current uncertainty over funding arrangements beyond 2020 means that maintained nursery schools cannot adequately plan ahead, and we all need to be able to plan.

[Gillian Keegan]

For this academic year, Chichester Nursery School has already had to make tough decisions about how to proceed with its budget and has said goodbye to some very valued members of staff. For any job to remain safe, guarantees that payroll demands can be met are essential. Teachers such as those at Chichester Nursery School are essential in providing for and influencing the minds and experiences of our young children, so I hope that the Department for Education can clarify funding arrangements as soon as possible.

Maintained nursery schools need to plan, and teachers and staff need to have their minds put at rest. Ruth has warned me that if this does not happen, she will be unable to meet the costs of her current staff, and that the equivalent of a full-time teacher, a nursery nurse and a full-time nursery assistant will be lost for the 2020-21 academic year, which would affect the number of pupils the school can care for. It would need to reduce its intake by 52 children, which would be a devastating loss to the local community.

Maintained nursery schools are important in helping some of the most disadvantaged children in the country and improving social mobility. Some 64% of them are based in the 30% of England that is most deprived. They are life changing. They provide a unique range of expertise, and the Government have a good record of supporting them so far, whether through the fairer early years national funding formula or the requirement for local education authorities to pass on 95% of received funding directly to providers.

We all understand the need for value for money in our public services, but getting the early years right for children is the most important investment we can make, as I am sure that everybody in the Chamber would agree. In helping young children to develop and in supporting families in their busy lives, maintained nurseries play an essential role in our communities. I hope that, as we near the end of the guaranteed funding, the Government will offer a meaningful long-term funding arrangement to keep this jewel in the crown of early years development.

2.46 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): It is a pleasure to follow the hon. Member for Chichester (Gillian Keegan). She and my hon. Friend the Member for Manchester Central (Lucy Powell) demonstrate the powerful cross-party support for the motion.

I congratulate my hon. Friend on securing this important debate and her tireless work in giving a voice to the nursery school sector in this country. I also pay tribute to the fantastic work of the all-party group on nursery schools, nursery and reception classes in promoting high-quality early childhood education.

I am proud to have two maintained nursery schools in my constituency: East Prescot Road and Ellergreen. Like most nursery schools, both are rated as outstanding by Ofsted. Children receive an outstanding education at both schools, and I want to quote from their respective Ofsted reports. Of East Prescot Road, Ofsted said:

“Children blossom in this outstanding school. Irrespective of their starting points, children thrive and make exceptional progress in their early learning. The achievement of the most able children and those with special educational needs is outstanding because of high-quality support and challenge.”

Of Ellergreen, it said:

“It is an excellent and improving school. It is a wonderful place to send your child, to look for support or to work. The outstanding quality of teaching helps children to make great strides forward in their learning. The school motto ‘broadening horizons, brightening futures’ shapes much of what the school does each day.”

Under the leadership of Jane Rogers and Colette Bentley, both schools do wonderful work in areas of my constituency with high social and economic need, and help to transform the life chances of children and families. Both headteachers place great emphasis, in particular, on ensuring that children who start with lower-than-average development are ready when they go to school, and I am grateful to the Minister for agreeing to meet them and me in two weeks. Both schools have outstanding reputations with their feeder schools for how school-ready their children are, and I think that is testament to the hard work of the staff of the two schools in providing the groundwork for a smooth transition to reception classes.

In Liverpool, we have five maintained nursery schools—three outstanding and two good. I am delighted that my hon. Friend and constituency neighbour the Member for Liverpool, Walton (Dan Carden), who is in the shadow Cabinet and therefore unable to participate today, is in the Chamber, because I know he has worked very closely, since his election two years ago, with the outstanding Everton Nursery School, which serves one of the areas of greatest social and economic deprivation in our city. Everton’s head, Lesley Curtis, is a very powerful voice for nursery schools in Liverpool and also in the national debate.

Nursery schools are the very best of quality early years education. Not only do they directly benefit the children and families who attend the schools, but they have a much wider benefit across the early years sector, with the expertise of maintained nursery schools acting as a catalyst to raise standards and supporting early years settings to work together to improve their quality.

Mr Dhesi: Does my hon. Friend agree that maintained nursery schools have a unique pool of expertise in supporting children with special educational needs, which is particularly pertinent and important for places such as my Slough constituency? Without such expertise, they simply would not be able to cater effectively for so many children with special educational needs.

Stephen Twigg: My hon. Friend makes an important and powerful point on behalf of his constituents, and he anticipates the next part of my speech.

In Liverpool—this is happening in other parts of the country—there has been a significant increase in the number of children going into primary schools with very complex needs. The expertise of the qualified teachers who work in nursery schools has become even more important for identifying and addressing those needs at the earliest stage. As my hon. Friend the Member for Manchester Central said, we know from all of the evidence, from here and internationally, that the earlier we intervene, the more likely we are to make a real difference in the life chances and educational opportunities of our children.

As my hon. Friend said, two thirds of maintained nursery schools are in the third of England that is the most deprived, and because of the quality of education

they offer, they are often at the forefront of tackling inequality and poverty, driving social mobility and closing the attainment gap. Indeed, the Government's own social mobility strategy declared in 2011:

“Children's life chances are most heavily influenced by their development in the first five years of life. By the time children start at school there are already wide variations in ability between children from different backgrounds”.

I think that that is the case in general, but it is especially the case in cities such as Liverpool that have been hit hardest by austerity and have some of the highest levels of child and family poverty in the country.

In addition to providing high-quality education, the outstanding nursery schools in Liverpool work tirelessly to engage with parents and carers. From before the child has even started at nursery school, staff will work collaboratively with families to seek to provide the best outcomes for their children. For example, at East Prescott Road, parents are welcomed to the school and very much encouraged to feel part of the learning environment. It runs “Stay and Read” sessions, as well as practical workshops to help parents to support their children in early reading and mathematics, and to enable parents to have the confidence to support their children's learning at home, as well as at school. The current data for East Prescott Road shows that its emphasis on supporting children with speech, language and communication needs is having a significant impact on reducing the gap between children with special needs and their peers.

At Ellergreen Nursery School, the staff go above and beyond. For example, last Christmas, as universal credit was rolled out in Liverpool, the staff donated presents and hampers to vulnerable families. Support is also provided to help families with problems such as housing and debt. Each morning, the nursery school provides all the children with breakfast, and it ensures that they take home a piece of fruit at the end of the school day.

If we are to tackle the multiple challenges of poverty, inequality and social mobility that we face in this country, we need to ensure that the best possible support is in place for children and families right from the very beginning. Early years education is at the heart of that, which is why it is so concerning that there is any question mark over the sustainability of our nursery schools.

As has already been said, maintained nursery schools meet higher standards than other providers—they employ a headteacher and they employ qualified teachers—so it is welcome that the Government recognise that the early years national funding formula did not adequately provide for nursery schools. As my hon. Friend set out, the Government have rightly committed to providing supplementary funding until April next year. However, we have no guarantee beyond then and, for the reasons that colleagues have set out, that poses serious challenges for nursery schools as they plan for the year ahead.

Liverpool's annual supplement equates to £1.5 million. Without the protection of that funding, Liverpool's maintained nursery schools, based on current staffing and expenditure, might not be financially sustainable. As Ellergreen Nursery School put it to me:

“What will happen to these vulnerable children and their families if the nursery schools are closed? All our years of developing high quality early years provision and our expertise will just be lost”.

That is clearly a very serious concern across Liverpool and across the country. Without a sustainable funding solution, we risk reversing the real progress that has been achieved in developing nursery schools as a beacon of early years education. I urge the Minister to listen to those concerns and, when he responds to the debate, to reassure our nursery schools that they have the opportunity for sustainable funding in the long term. They need to know that they can offer places in good faith, confident that their funding will not be cut next April. If that happens, it will make a real difference to the communities that I and other Members represent.

We need to work together on a cross-party basis to say to the Department for Education and to the Treasury, as my hon. Friend rightly said, that we do need a sustainable funding settlement that acknowledges that nursery schools have a special status in early years because they are schools, meaning that they have higher costs and play a distinct role in the early years sector. Most importantly, they are drivers of social mobility, and key players in tackling poverty and inequality. That is why there is such strong cross-party support for the motion and for the principle that nursery schools must be sustained for the long term.

2.56 pm

Theresa Villiers (Chipping Barnet) (Con): I am pleased to follow the hon. Member for Liverpool, West Derby (Stephen Twigg). Given that we are on opposite sides of the House there are many issues on which we disagree, but I very much endorse his comments on the importance of early years education. Like him, I point out that the research is very clear that those who fall behind in the first five years of life find it very difficult to catch up. Ensuring we have the best possible quality early years education is, as many hon. Members have stated, a hugely important engine of social mobility. That is at the heart of what we are discussing this afternoon: how we as a society ensure that we provide a good start in life, which comes with really high quality early years education.

Like other hon. Members, I would like to commend some of the maintained nursery schools in my constituency: Hampden Way, St Margaret's and Brookhill. They have come together through the Barnet Early Years Alliance, or BEYA as it is known. They are given inspirational leadership by the headteacher Caron Rudge and huge support from their boards of governors, including the chair of governors, Liz Pearson. I would like to thank Mrs Pearson and Mrs Rudge for their briefing and their work on this crucial issue of finding a sustainable future for the maintained sector and ensuring that BEYA and its component schools have a secure future. I thank all my constituents who signed the petitions to save the maintained nursery sector, particularly those wonderful schools in my Chipping Barnet community. I look forward to presenting them formally alongside other colleagues next week.

It is very clear that the maintained nursery sector has particular strength in relation to the most vulnerable children in our society, those with special education needs and disabilities. They have a hugely valuable pool of experience and expertise. Losing such experience and expertise would have significant knock-on effects, both financial and social. Like others, I would like to emphasise that in coming together to find a sustainable future for

[Theresa Villiers]

the maintained nursery sector, support for children with special educational needs and disabilities must be at the heart of that.

Vicky Ford (Chelmsford) (Con): My right hon. Friend is making some very clear points about the support that nursery schools in her constituency give, especially to those with special educational needs. In my constituency, I also have two excellent maintained nursery schools. I want to mention the Tanglewood Nursery School, which specialises in young children with speech and language challenges. It helps not only the children in its own school, but with other pre-school organisations right across Essex. Does my right hon. Friend agree that if we lost that support in our maintained nursery schools, it would risk knock-on impacts for others in other pre-school environments nearby?

Theresa Villiers: My hon. Friend makes a very fair point. I was going to come to that in my speech. We must find a long-term, sustainable role for the maintained nursery schools in the constituencies of everybody who has spoken. They are potentially beacons of excellence, centres of training and places that have an impact on the whole locality, in terms of raising standards in the pre-school sector. That is an important part of the solution.

We all recognise that there are limits to what the taxpayer can afford, and it is vital that we take care when deploying taxpayers' funding. We must ensure it is used appropriately. One of the most difficult things for a Government to do is to assess which priorities can be funded and which cannot. As others have said, the funding situation for the maintained sector is becoming very grave, so we must find a solution that saves those schools. Local authorities simply cannot fill the gap, as their funding is under pressure, too, because of the continuing consequences of the very serious deficit that we inherited from the previous Labour Government. Although many local authorities across the country, including my own in Barnet, are doing their best to find ways of supporting the maintained sector, that will not be a solution on its own.

Karen Lee (Lincoln) (Lab): The right hon. Lady just referred to a deficit left by the previous Government, but does she agree that funding nursery schools should be a higher priority than giving wealthy people tax cuts?

Theresa Villiers: Of course, funding for nursery schools should be a priority, and I am here to make the case for that. We also need a competitive tax system, and reductions in corporation tax, for example, have led to increased revenue. There is a balance to be struck. We need a competitive economy that attracts investment, and reasonable levels of business taxation are an important part of that. They help to generate the revenue that funds our schools. I do not agree with the sentiment of all of what the hon. Lady said.

BEYA has not stood still and failed to take action. It has gone to great lengths to carve out a new role for itself and has looked for other sources of funding. It is working with children's centres and on training programmes, but it is still in great difficulty. Frankly, a crunch is coming for its funding and that of other maintained

nursery schools. If nothing is done, the threat of closure will become greater and greater. That is why I am here today to appeal to the Minister.

My understanding is that, when the transitional funding was announced a few years ago—I am grateful that the Government chose to do that—it was supposed to give the maintained sector a breathing space, during which time the Government would work with it to develop a new, sustainable role for it. Essentially, as I have already adverted to, nursery schools would become centres of excellence, beacons for the surrounding area and centres of training. That would ensure that they play an outstanding role in the wider early years sector and provide support across the whole range of early years providers. The idea was to provide temporary transitional funding until that new role was settled to put the maintained sector on a sustainable footing for the future.

Time is now running out, and, like others, I appeal to the Minister for an extension of that transitional funding for settlement of that new role to secure the long-term future of the maintained sector and the children whose lives it transforms, and to ensure that in the spending review there is space to save these wonderful schools that so many Members have talked about this evening with such warmth and praise. I believe that this is the important next step to take: first, an extension of the transitional funding; secondly, an agreement on the long-term role of the nursery sector; and, thirdly, a recognition in the spending review that we need to fund these schools for the long term.

3.5 pm

Daniel Zeichner (Cambridge) (Lab): It is a pleasure to follow the right hon. Member for Chipping Barnet (Theresa Villiers), and I congratulate my hon. Friend the Member for Manchester Central (Lucy Powell) on securing the debate through the Backbench Business Committee. It has been a well-tempered discussion so far, but I have to say that I am pretty angry about what is happening so I may introduce one or two notes of rancour I am afraid.

In my area there are four maintained nursery schools: Brunswick, the Fields, Homerton and the Colleges. I know all of them well, and whenever I visit I am struck, as other Members have said of their nurseries, by the genuine care and dedication of the staff, who provide an excellent start. I am particularly struck by the support and engagement of parents and I am always struck by the messy play, but unfortunately I am also struck by the real sense of worry about the future because of the threat that future funding will not be secured.

As we have heard, the costs that these nurseries incur are higher, and in a high cost area such as Cambridge it is particularly expensive to hire staff so they are under huge pressure. That of course applies to all nurseries across the sector in Cambridge, but as we have heard the maintained nurseries have particular extra costs, because they are providing something different, because they are schools. Sometimes I do wonder whether the Government entirely grasp this point.

To say that funding streams and accountability within this sector are opaque barely does justice to the complexity. As we all know, this Government have, as usual, made promises on things such as 30 hours and then failed to provide the resources, so passing the buck to local

councils who then all too frequently get the blame. As a result, providers within the sector all too easily end up pitted one against another when what we really need is everyone working together to achieve a shared goal: good quality, universal early-years provision with properly trained, well rewarded staff.

Sadly, we are a long way from that. In Cambridgeshire, providers are paid just £4.04 an hour to provide care. The Department for Education has confirmed that it will not provide an uplift in the hourly funding rate from 2019-20, so our nurseries will only receive a 1p rise, to £4.05 an hour. And as we have heard, after April 2020 there has been no guarantee that any supplementary funding will be received for maintained nurseries: no word from the Government about future funding. So these excellent providers, so loved by parents and children, struggle on with a sword of Damocles hanging over them as they battle to cover the high costs of running a service in an expensive city, and now are given no certainty over their futures. This affects hundreds of children, hundreds of families, and of course, many staff.

Sadly, this anxiety surrounding the plight of our nurseries' funding is not a recent phenomenon; it has almost become a way of life. Very early on in my time in this House I was at the Fields nursery, working with anxious staff and parents over how their future would be secured. In 2017 I delivered a petition on this very subject in this Chamber, and over the years I have repeatedly asked Ministers about this and warned of the approaching cliff edge; time and again I have been told, "It's all in hand and there isn't a problem," but that really is not true in Cambridge and, what is worse, staff have had to go on working week after week, month after month, year after year without any certainty. Frankly, it is a disgrace: the Government should hang their head in shame at the stress and distress their dereliction of responsibility has caused so many people. Austerity might have been a nice parlour game for Osborne and Cameron—a nice bit of political triangulation—but it has caused untold damage and harm, tearing at the fabric of society, and the maintained nursery sector is a particular victim. Frankly, no one should ever forgive the Conservatives for these self-obsessions. Just as it is with the European Union, so it is with austerity: it is always about internal ideological battles and never about the public good.

In the latest round of this long-running saga, the most recent Minister has said that nurseries and local authorities should hold off from making decisions until after the spending review. Well, great. In the current chaos, without any certainty about when the spending review will even take place, that is frankly hopeless.

Vicky Ford: I should like to declare an interest, in that about 10 years ago, prior to coming to this place, I chaired a pre-school just outside the hon. Gentleman's constituency. The pre-schools that are not maintained nursery schools receive less funding per head than the maintained nurseries. How does he justify to parents that their child who attends one of those excellent pre-schools is getting less Government funding per head than a child in a maintained nursery school?

Daniel Zeichner: I am grateful to the hon. Lady for raising that point. As I said earlier, the funding mechanisms for this sector are extremely complicated, which can

create the danger of setting one provider against another. The answer to her question is clear, and it is astonishing that Conservative Members do not get this simple point. Maintained nurseries are schools; they are different, they have extra costs and they are often located in the poorest areas. I would hope that, taking a cross-party approach, we can try to find a way of maintaining both, because there is a range of providers that are doing an excellent job.

Karen Lee: Does my hon. Friend agree that this should absolutely not be a race to the bottom?

Daniel Zeichner: It should absolutely not be. The one thing we can all probably agree on is that we would like all these providers to have a sustainable future. I have every sympathy for the other providers, who are also struggling with an underfunded system.

Vicky Ford: I thank the hon. Gentleman for his answer, but I would also like to make it absolutely clear for the record that I am not in any way suggesting a race to the bottom.

Daniel Zeichner: I am grateful for the hon. Lady's clarification, but I have to say that, from where some of us are sitting, on this side of the House, that looks exactly like what this Government are intending, in a far wider range of sectors than just the early years sector.

I shall return to the spending review. It is expected in the autumn but, as we have heard, that will be too late for many people. Businesses, local authorities and families need to plan, and they need costed commitments, not empty promises. It is wholly irresponsible to continue to drag out this uncertainty regarding supplementary funding. The Local Government Association tells us that 61% of local authorities with maintained nursery schools fear that their nursery schools will close if their funding is not protected, and 52% say that the loss of that funding will reduce the support available for children with special educational needs; and let us not even start on the crisis affecting that group. Pretending that the current funding is sustainable is an utter fantasy, which is perhaps no surprise from a Government who seem every day to demonstrate that they live in a fantasy world of unicorns. That is fine for nursery stories, but a hopeless way how not to run a country.

This week I was handed a petition, as others have been, from thousands of concerned parents across Cambridge who are calling for better funding and stability for our maintained nurseries. Many of them added extra comments, and they make heart-warming reading. Both the Brunswick and the Colleges Nursery Schools in Cambridge were recently rated outstanding across the board by Ofsted, with comments reflecting on the nurseries' "high quality care", "inspirational leadership" and "strong teaching". Parents commented that their nursery had been a

"fundamental fixed point in our lives",

and "extremely supportive" to special educational needs and English as an additional language needs, and that it had helped their children to grow in

"confidence, understanding and care for others".

Are these really the kinds of services that this Government want to destroy?

[Daniel Zeichner]

Under the current funding agreement, nurseries will struggle to stay in business, according to the Department for Education's own figures. When I visited one of the nurseries recently I was told that, without extra help, it will hit the buffers next April. How depressing, when we know that for every £1 spent on early years, £13 are saved down the line. The Chancellor has announced that his spring statement will take place in March, and I and others will be very disappointed if the Minister here today does not use the next few weeks to make serious representations on this matter, ahead of those announcements. I have had angry words for the Government today, and frankly I think they are deserved. Our maintained nurseries deserve better, and I hope that the Minister will prove me wrong and show that the Government have some sense after all.

3.14 pm

Tim Loughton (East Worthing and Shoreham) (Con): I start by declaring an interest and by congratulating the hon. Member for Manchester Central (Lucy Powell) on securing this debate. I supported the application and will certainly be supporting the petitions next week, with one from the nursery school in my constituency that I mentioned earlier.

Thursday afternoons are becoming like a "children's hour" session, which is fantastic. I said two weeks ago when I opened the debate on children's social care that we do not have enough time in this place to talk about important issues such as those facing children. We have a lot of childish debates on other topics, but we should be doing more on children and young people. A few Thursdays ago, we had an important, well-informed, emotional debate on baby loss. These are the issues that resonate with and are important to our constituents and their children on a day-to-day basis. It is to be applauded that we have strong interest in this afternoon's debate and that we have a degree of consensus.

I am disappointed, however, with the politicisation in some Opposition Members' speeches, because the Government want quality education for all. We can only pay for that quality education by having a strong economy and taxpayers who are in a position to pay tax. Hounding some out of the country does not provide resources to invest in education at any level and we need to balance that. Trying to make this into a political issue or to suggest that there is some ulterior motive—

Karen Lee: Will the hon. Gentleman give way?

Tim Loughton: I will not. Trying to suggest that the Government have some ulterior motive to run down what we all absolutely acknowledge is an essential part of the education system does not help anyone, frankly. I want to carry on with a more consensual approach about how to find a solution to the looming problem of sustainability of funding for these excellent nursery schools, which is the subject of this debate.

My hon. Friend the Member for Chichester (Gillian Keegan) and I each have a maintained nursery school in our constituencies. West Sussex only has four, so we have 50% of the county's maintained nursery schools between us. What the schools share is quality and engagement with the local community. Boundstone Nursery School, which has been in existence for many years in

one of the more deprived parts of my constituency and is run by an inspirational, exceedingly hard-working, determined headteacher in Jim Brannan, is co-located with other children's centre services. The services have recently been rationalised into a new single service that provides an aged zero-to-25 prevention and early help service, integrating specialist county council teams with health visitors, school nurses and others. The site provides a one-stop shop for many of the services wanted by my constituents who use and need a maintained nursery school. Long may that continue.

I pay tribute to West Sussex County Council. We have many arguments about how many children's centres have closed, but no children and family centres in West Sussex have closed. However, this is not a numbers game. This is about the quality of the services that are offered in children's centres, the success of the level of engagement with the people who most need it, and the outcomes for those children and the families who engage with such services.

We still have many children's centres that are often closed for too much of the week. The most successful centres, whether they are co-located with nurseries or whatever, need to be open in the evenings and at weekends. They need to be more father-friendly, and we had a debate on a similar topic in Westminster Hall yesterday. We need to make centres more welcoming, flexible and amenable so that, wherever possible, fathers can bring their kids to the nurses and engage with them, the support services and extracurricular activities that are on offer just as much as mums can. This is not about quantity, but quality, the extent of the engagement and the level of the outcomes. We need to make centres busier. In West Sussex we have also integrated them with what we call "Think Family," which is one of the country's best versions of the troubled families programme. The Minister has a strong interest in these areas, and he appreciates the importance of getting it right, so I re-emphasise the need to make sure that the Treasury rolls over the funding for the troubled families programme, which comes to an end in 2020. The programme has been a template for how joined-up, sensible preventive thinking prevents an awful lot of problems later on.

Maintained nurseries are an important part of the jigsaw at an important and impressionable stage of a child's life and a new parent's life. This can be a lonely and daunting time, and a nursery can be part of a new parent's support network. I pay tribute to the immense amount of work and investment the Government have put into the free childcare offer, although not without problem; not enough fully to remunerate the cost of this in the independent sector. We are seeing the impact in the maintained sector, too.

Maintained nurseries are the gold standard, which is why so many more of them are rated outstanding, including the Boundstone nursery in my constituency. That is not to undermine the independent sector, but the standards of maintained nurseries are consistently higher. Maintained nurseries have to invest in provision for special educational needs and disability support because, as many hon. Members have mentioned, they are effectively schools, and they take on many of the kids who cannot be adequately catered for in alternative provision elsewhere. Maintained nurseries are doing a more universal job than many other high-quality players in the sector are able to perform.

I declare an interest as chair of the all-party parliamentary group on conception to age two—the first 1,001 days. I am also the chairman of trustees at Parent Infant Partnership UK, and we run professional services in children and family centres across the country to work with new parents, often single parents, who have attachment problems with their children. Those first 1,001 days from conception to age two are where we can have the maximum bang for our buck in giving the support that has not come, for whatever reason, between a parent/carer and his or her child.

The more we can do to get it right then, the bigger the savings financially and, much more importantly, socially in how that child will consequently become a contributing, balanced, stable member of society later in life. That work is crucial, and it is a false economy not to do it. The cost of getting perinatal mental health wrong is estimated at more than £8 billion a year, and the cost of child neglect is estimated at £15 billion a year. That is one hell of a bill for getting it wrong. Maintained nurseries are part of the solution and can prevent some of those children from ending up in those other ancillary services.

That is why I asked whether a proper audit has been done. If we reduce the places or the quality available in maintained nurseries, because some of them might have to consider their future if the funding is not confirmed and maintained, there will be a knock-on effect on safeguarding services. Maintained nurseries can act as an early-warning system where there are safeguarding problems or parenting problems within a family. Good nurseries are not just for the children who attend each day; they support the parents as well. Nurseries reduce the costs for health, wellbeing and disability services.

As I mentioned earlier, nurseries offer respite for parents looking after profoundly disabled children. Those parents can be confident that their children will be safe and properly looked after, and the nurseries provide a strong respite facility that may be the difference in whether a child is able to stay in the family home.

Madam Deputy Speaker, you are looking at me with concern, so I finish by saying that we need to do our best to make sure that these maintained nurseries continue as they are. For that, we have to give them certainty. When this protected funding comes to an end in 2019-20, some difficult decisions will have to be made if that funding has not been guaranteed, and we need to get that indication sooner rather than later. We need urgent clarification from the Treasury about the funding outcomes for these schools in pretty short order, otherwise they will be making these difficult decisions early, and what has been described as a beacon of early years education will be burning a little less brightly because we have not got it right. We will be reaping the consequences of that in years to come and those children will be reaping the consequences of the false economy that not doing that represents.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Rosie Winterton): Order. Just before I call the next speaker, I am anxious to ensure that everybody has a good time slot and so I urge hon. Members to take 10 minutes and no more. In that way, we will be able to get everybody in and they will be able to have an equal amount of time.

3.25 pm

Stephen Timms (East Ham) (Lab): Thank you very much, Madam Deputy Speaker. I congratulate my hon. Friend the Member for Manchester Central (Lucy Powell) on leading this debate, and I am pleased to be following the hon. Member for East Worthing and Shoreham (Tim Loughton), who has a distinguished record in this area. I do not agree with him that we ought not to be criticising the Government, because it is a shocking state of affairs that schools are having to make decisions about which children they will offer places to in September, the start of the next school year, and they do not know what their budget is going to be for next year. That may not be the fault of the Minister on the Front Bench today, but it certainly is the fault of the Government and it is absolutely right for Parliament to point that out.

In 1984, I became a councillor in the Little Ilford ward in my constituency, and I became a governor of Sheringham Nursery School—Sheringham Nursery School and Children's Centre, as it now is—in that ward. I have known the school for 35 years, in which time it has had two headteachers. Maureen Haynes was the young head there when I became a governor, and she carried on until her retirement, with her successor being Dr Julian Grenier. The school has done a fantastic job throughout that time. Of course, it benefited immensely from the investment by the Government from 1997 to 2010, when early years was a high priority. Sheringham was expanded, for example, from one storey to two. These days, I regularly hold surgeries there, and it is clear that it is more than a school; as my hon. Friend described at the start, it is a hub for the community, where people can look for support with parenting and with other challenges they are facing.

Sheringham has lots of admirers, as is the case with most maintained nursery schools, as we have been reminded. Ofsted designated it as outstanding five years ago. Three months ago, Ofsted carried out a short inspection, and I just want to read the opening of the subsequent letter sent to the headteacher about what the inspection team found. I apologise for the sense of pride I feel about the support that is being provided in my constituency. Ofsted said this:

“The leadership team has maintained the outstanding quality of education in the school since the last inspection.

You and your staff have ensured that the nursery provision continues to be of exceptionally high quality. Leaders are extremely knowledgeable and passionate about early years education. All staff are well trained and have a thorough understanding of how young children learn and develop. The nursery is a calm, orderly and well-organised environment. Children's behaviour is outstanding. Children learn how to share resources, join in activities and make decisions. The safe learning environment and an excellent range of resources stimulate, as well as extend, children's experiences. Activities are extremely well matched to their needs.”

It continued:

“Your role as a national teaching school enables you to share the expertise in early years education with other local providers. Leaders and staff have forged strong links with private nursery settings and local primary schools to deliver professional development for their staff.”

Those last couple of sentences highlight how Sheringham supports private nurseries in the nurseries in the area as well, so that the number of children and families who benefit is much greater than the number who attend that school. It is a Greater London Authority early

[Stephen Timms]

years hub and it supports more than 100 private and voluntary nurseries. That is an important point to underline. The hon. Member for Chelmsford (Vicky Ford) asked the pertinent question: why do these schools cost more? The fact that they support others is an important part of the reason why.

Let me read one more paragraph from that Ofsted letter:

“Children are encouraged to be independent learners. Adults intervene skilfully when needed to support their learning but do not interfere unnecessarily. The levels of interaction between adults and children is exceptionally high. As a result...two-year-olds make very strong progress from low starting points. This exceptional start gives them an excellent foundation for the next stage of their education and beyond.”

All that is now under threat because of the uncertainty over funding. Decisions must be made soon about which children to admit to Sheringham next September, and throughout London to the other 79 maintained nursery schools in 24 of the 33 London boroughs. Nursery schools cannot make those decisions until they know whether the current funding will last until the summer term of 2020. At the moment, they do not have a clue.

As the right hon. Member for Chipping Barnet (Theresa Villiers) said in her speech, the supplementary funding was supposed to be just a stopgap until a long-term solution was put in place, but there is still not even a proposal for a long-term solution. Schools are making admissions decisions now without knowing whether they will still be funded beyond halfway through the next school years. Those that are in deficit cannot adopt deficit reduction plans because they do not know what their income is going to be in 2020.

It is of course the case that maintained nursery schools are more costly than other provision. That is partly because the law requires them, as schools, to have several specified postholders, and it is partly because, like Sheringham, they support other private and voluntary nurseries as well, but it is also because they disproportionately support children with special educational needs and disability. Sheringham has 68 children with SEND—more than a third of the total roll—including 10 children with high needs. Other settings simply could not support those children. The hon. Member for East Worthing and Shoreham was absolutely right to make the point about these nursery schools being a safe place for children like that to go. The loss of that support for those children would be catastrophic.

London Councils points out that as well as employing specialist teachers who can recognise SEND early and develop plans to ensure that children with SEND are supported and ready for school when the time comes, maintained nursery schools play a crucial role in social mobility. They prioritise working with the most disadvantaged children and provide high-quality teaching and support that helps to narrow the gap between disadvantaged children and their peers. I think we all recognise how important that is. London Councils reports that maintained nursery schools in more than a third of the London boroughs may be threatened with closure if the ring-fenced funding that has supported them for the past three years is not maintained beyond next March. The majority of headteachers interviewed for research

that was published by London Councils in September said that they would have to start turning away pupils with more complex needs unless more funding was secured.

The Minister has recognised publicly and sincerely the value of the contribution made by maintained nursery schools. If he needs any further convincing, a visit to Sheringham in my constituency, just 45 minutes away, would certainly do the trick. I am sure he recognises the importance of confirming that funding will continue and I urge him to make sure that it does.

3.34 pm

Jack Dromey (Birmingham, Erdington) (Lab): I often say that Erdington is rich in talent, but it is one of the poorest constituencies in the country. Here is a stark statistic that brings alive the awful problems associated with deprivation and poverty: if a man gets on the train at Grand Central—New Street—and gets off at either Gravelly Hill or Erdington station, he is likely to live seven years less than a man who continues on but two miles to Four Oaks in Sutton. The deeply ingrained patterns of inequality and poverty are fundamentally wrong. The key to tackling them is social mobility, giving every child the best possible start in life, and the key to giving every child the best possible start in life is our 400 nursery schools up and down the country.

I suspect that all of us here have heard both the heart-breaking and the heart-warming stories. I remember a weeping mother who came to see me in my surgery with her sad and silent child. He was struggling and she was desperate, saying, “Where do I turn? Where do I turn?” I remember also the heart-warming stories. At Osborne Nursery School, I will never forget the grandfather who told me a story. He said, “Jack, he wouldn’t string two words together. He was silent. He sat in a corner. He went to the nursery school and, a year later, we can’t shut him up.”

Let me tell another story, which, for me, brings the whole matter alive. Sally Leese, the headteacher of Castle Vale Nursery School, told me that, with increasingly little support available, partly as a consequence of the closure of children’s centres, more and more health visitors are coming to nursery schools asking them to accept children no one else will take. She told me this story: “A health visitor called me before Christmas about two little boys, aged four and two. They had been on a child protection plan since they were born. Neither could speak and both were still in nappies. The health visitor said that they were the saddest little boys she had ever seen, and when I met them, I agreed. We took the boys in and gave them unfunded full-time places and undertook many nurture sessions. The health visitor came to the school the other day to thank me as she had just done a home visit and said that the change in them was incredible. She said that she had worked with them for more than a year, but that this was the first time they had spoken to her, smiled and laughed. She cried when she told me. Who else would have taken these boys for no money?” She told me of the health visitors and the social workers who keep phoning to say, “You never say no to a child, no matter what the situation is.”

I pay tribute to those four remarkable nursery schools in Erdington: Osborne with its headteacher, Sharon Eeles; Castle Vale with its headteacher, Sally Leese;

Featherstone with its headteacher, Elaine Dupree; and Marsh Hill with its headteacher, Helen Masaun. The job they do in an area of high poverty is nothing short of remarkable—they transform lives.

Three years ago, we had a funding crisis. There was a nationwide campaign, with nursery schools, parents and grandparents all coming together. Ultimately, that led to the formation of the all-party group, which is brilliantly led by the hon. Member for Manchester Central (Lucy Powell). It is very much an all-party group. I pay tribute to the right hon. Member for Harlow (Robert Halfon) for the role that he plays. Different parties have come together to speak as one in support of our nursery schools. We have made real progress.

I never forget that the first meeting of the all-party group was so big that it had to take place in Central Hall, Westminster. Six hundred people were present. The average attendance of the APPG is 300. It meets regularly, hearing, on the one hand, heart-warming stories of progress made, and, on the other, heart-breaking stories of the growing concern of our nursery schools about the future.

Transitional funding of £59 million was won, and that was very welcome indeed, but now nursery schools seeking to plan ahead are in limbo. I know that nobody here needs to be convinced about why our nursery schools matter, but let me simply say this: they do indeed transform lives, with 64% of them in the most deprived parts of our country; they are overwhelmingly rated outstanding by Ofsted; and they prioritise those in the greatest need, and, with their unique pool of expertise, they help children with SEND. Everyone benefits, because one of the characteristics of the 27 nursery schools in Birmingham is that they work with private voluntary and independent nurseries, raising standards across the whole sector. Yes, they cost more, but they are worth every penny. In the immortal words of my hon. Friend the Member for Birmingham, Yardley (Jess Phillips), they are schools, not babysitting. They are schools in the best sense of the word.

I was struck by the very good contribution of the hon. Member for East Worthing and Shoreham (Tim Loughton), who said that were that money, which is not much in the great scheme of things, not to be there—were there to be potential catastrophe for our nursery schools—the downstream costs to the public purse would be massive and the downstream costs to struggling families would be incalculable.

We cannot wait for the comprehensive spending review, because who knows when it will take place? Right now, nursery schools are having to plan ahead when it comes to thinking about how many places they can offer, setting budgets, and maintaining vital facilities and expertise. Indeed, there have already been some closures. Delay risks many more, and a failure to respond properly and on an adequate scale could mean a tidal wave of closures throughout the country. That would be utterly tragic.

I know that the Minister gets it. When the four heads to whom I referred met him, they were impressed by his sympathy, but it was not just about the sympathy—not just a cup of hot tea and biscuits. The Minister's commitment came over to them and it was very welcome. The problem is not the Minister sitting here today; the problem lies in Downing Street, and Downing Street

has to hear this message loud and clear. These nurseries are a great part of our national heritage, many of them dating back to the second world war. They are an essential part of tackling poverty and deprivation, and ensuring social mobility. A decision has to be made quickly, otherwise I fear for the future of the jewels in the crown of early years provision.

3.42 pm

Liz McInnes (Heywood and Middleton) (Lab): It is a pleasure to follow my hon. Friend the Member for Birmingham, Erdington (Jack Dromey). Like him, I have met the headteacher of the maintained nursery school in my constituency, and she also praised the Minister for his openness and willingness to listen. I hope that the Minister takes heed of those remarks. I also thank my hon. Friend the Member for Manchester Central (Lucy Powell) for securing the debate, and for her expertise and hard work on this subject.

In my constituency of Heywood and Middleton, there is just one maintained nursery school left: Sunny Brow Nursery School in Middleton. I just want to say that my praise of the great work done by Sunny Brow Nursery should in no way be taken as a criticism of the other nursery providers in my constituency. I know how important childcare provision is and how valuable the service is to parents, employers and families. I would like to see all nursery provision being valued and an end brought to the minimum wage culture. We trust all nursery nurses with the care of our children. It is an important and responsible job, and should be remunerated as such.

Last week, I met Janet Cook, the headteacher of Sunny Brow Nursery, as well as the governors and parents, to discuss the dire funding situation facing the nursery. We also talked about the huge educational contribution and fantastic start in life that Sunny Brow has given to the children who attend it. The parents talked about how their previously shy and withdrawn children had blossomed in the atmosphere of Sunny Brow. One parent was guardian to a child who, sadly, suffered from foetal alcohol syndrome. She talked about how much the expert teaching at Sunny Brow had helped this child to prepare for primary school, in stark contrast to his two siblings with the same syndrome who had not had the benefit of attending a maintained nursery school and both struggled when they entered mainstream schooling, with many breaks and problems in their subsequent school careers that could and should have been addressed in the early years—the most important years in anyone's education.

Sunny Brow employs graduate class teachers to provide the excellent care and education from which these children benefit and on which they thrive. Yet the future of the nursery is uncertain due to the lack of clarity over what will happen when the Government top-up fund comes to an end in April 2020. The headteacher told me that unless another source of funding becomes available, Sunny Brow, which has provided early years education in Middleton since the second world war, will no longer be able to operate and will be forced to close. We cannot allow this to happen. We know how important early years education is. This is supported by the Government's own studies, which show that those from poorer backgrounds are likely to benefit more from education and care from the age of two.

[Liz McInnes]

The 30 hours' childcare costs have helped to put extra pressure on maintained nursery schools' budgets, as they do not get all the funding back for the 30 hours. This is an additional pressure for Sunny Brow, coupled with the uncertainty of its future post April 2020.

Sunny Brow serves a catchment area of pupils that includes many with specialist needs and disadvantaged backgrounds. With my constituency only 395th out of 533 parliamentary constituencies in the recently published "Social Mobility Index", it is vital that we are able to maintain the high-quality early years provision provided at Sunny Brow Nursery. We should be celebrating the achievements of nurseries such as Sunny Brow, and their contribution to social mobility and closing the attainment gap, rather than letting them simply wither on the vine due to a lack of funding. Any Government who are serious about improving social mobility—I do believe that the Minister is serious about doing that—should be promoting the expansion of maintained nursery schools, especially into deprived areas like mine, not joining in a race to the bottom. I wish the Minister the best of luck in putting pressure on the Treasury to release funding for this vital service. He can rely on support from Labour Members in so doing.

3.47 pm

Karen Lee (Lincoln) (Lab): I congratulate my hon. Friend the Member for Manchester Central (Lucy Powell) on securing this important debate and her committed work on such a vital issue. It is a pleasure to follow my hon. Friend the Member for Heywood and Middleton (Liz McInnes).

I am a proud advocate for nursery schools in Lincoln. I have been contacted by two maintained nurseries in Lincoln, St Giles and Kingsdown, about the precarious position of their funding after April 2020. Currently, nursery schools are unable to plan and budget for the future, and headteachers and families are deeply concerned. A couple of weeks ago, I met the headteacher of St Giles. She had previously written to me, with the support of the parents, the staff and the surrounding local community, to express their fears about the supplementary funding settlement post 2020. We talked for an hour and a half, and I could really see her concern—she is very worried about what they might lose. This problem is not restricted to Lincoln, as Members on both sides of the House have raised concerns regarding nurseries in their own constituencies.

Let us not overlook the immediate threat. Nurseries are already struggling to set budgets, as even before the end of supplementary funding, 64% expect to be in budget deficit. This is very worrying, as last year the LGA found that 61% of local authorities with maintained nursery schools fear that their schools will close if funding is not protected after 2020, with 52% saying that a loss of funding would reduce the support available for children with SEND.

Maintained nursery schools genuinely advance social mobility—that has been said again and again. The evidence is overwhelming. We know that 64% of maintained nurseries are in the 30% most deprived areas. The two in Lincoln are both in areas of marked social deprivation—Birchwood and St Giles. Regardless of one's upbringing,

we all deserve a good education, and their admission process prioritises children who are in greatest need. In a society with so much inequality, we must protect services that support vulnerable people and give them the opportunity to excel in later education. The Government have even accepted that maintained nurseries cost more, as they provide a range of early years provision.

Any planned cuts to funding of maintained nurseries presents an extremely short-term view of educational funding, and it is a false economy. A report by a group of seven maintained nurseries in Yorkshire and Lincolnshire, where I am from, estimates that the cost to public sector services of those nurseries closing would be £216,000 to health and wellbeing services, £278,000 to special educational needs and disability services, £256,000 to social care safeguarding services and £480,000 to supplementing extended entitlement services.

The benefits of these nurseries are clear. Maintained nursery schools provide vital support to our local communities, yet the Government failed to address nurseries' financial insecurity in the last Budget, and the forecasted review in autumn 2019 is far too late. An issue that requires urgency is seemingly being responded to with complacency—and I do not include the Minister in that statement. I promised nurseries, teaching staff and parents in my constituency that I would be their voice in Parliament. They are not expecting anything out of the ordinary, but they do expect and deserve a sustainable financial future for maintained nursery schools, which will protect jobs and the opportunities of children in their communities.

Will the Minister explain to the House how he expects nursery schools to offer places in the spring of 2019 or the following school year when they know full well that no funding arrangement has been decided upon? I, too, understand that the Minister is sympathetic to the plight of our nurseries—his commitment is not doubted for a minute—but with the risk of closures on the horizon, how can the Government expect nurseries to continue in good faith without a forward-looking, secure financial plan?

3.51 pm

Matt Rodda (Reading East) (Lab): It is a pleasure to follow my hon. Friend the Member for Lincoln (Karen Lee). I want to associate myself with a number of the comments made by Opposition Members and some Government Members. This excellent debate has highlighted the huge social value of nursery education.

The Parliamentary Under-Secretary of State for Education (Nadhim Zahawi) *indicated assent.*

Matt Rodda: I see the Minister nodding. I am grateful for his interest in this subject, and we all wish him well in his battle with the Treasury to secure the needed funds.

Many Members have talked about the significant social value and budgets of these nurseries. We have heard emotional descriptions of the value of nursery education. I realise that time is pressing, so I will draw the Minister's attention to the three maintained nursery schools in Reading East and, on behalf of the hon. Member for Reading West (Alok Sharma), the two in Reading West. They are all outstanding maintained nursery schools.

The three nurseries in Reading East—Caversham, New Bridge and Blagdon—have all been rated as outstanding in their Ofsted reports. I would like to describe to the Minister what it is like to walk into those nurseries. What we find is a calm, ordered and pleasant environment where very young children are starting to learn, often through play. It is incredibly positive, upbeat and supportive, and these are some of the most disadvantaged children in our local community. I know well the Amersham estate, which serves Caversham Nursery. New Bridge Nursery serves an area nearby, and Blagdon serves an area in south Reading. There are considerable challenges for many families in those areas, and Members have described those challenges.

I would like to warn the Minister in a supportive way of what could happen in Reading if funding is not sorted out for these three nursery schools. We have already seen severe financial pressure affecting the three nursery schools in Reading East and the two in the western side of the town. My concern is that, if the issues are not addressed, we may see serious challenges as a result of continuing financial pressure. One possible way of solving the financial pressures that has been suggested to me is further joint working of the management team. Given that these schools are across quite a wide area, in a borough with severe traffic problems and a great deal of congestion, it would be extremely difficult for one leader, however able, to lead all five nursery schools.

I wish to pass on to the Minister the practical challenges in our borough, which is a small unitary authority. It has a number of other educational challenges, which I will come on to later. It will face challenges if the nursery schools have to go down this route. As I am sure he is only too aware, Ofsted has pointed out for many years the overwhelming importance of strong leadership in turning round underperformance in educational institutions, whether they are nursery schools, schools or other institutions, and taking them forward to achieve the highest results and most outstanding education. I raise that as a serious local concern. I know the headteacher of one of the nursery schools well. She, like her colleagues, is an outstanding public servant. I wish them well, and I want to see that team enhanced and developing, and the ordinary staff retained.

I want to give some of the context for Reading because it helps us to understand the particular pressure caused by the combination of deprivation and a high-cost area. It can be a very worrying combination for nursery schools and other parts of the public sector. As the Minister may know, in the Thames Valley and other high-cost areas—I do not dispute that many other parts of England, Wales and the rest of the UK face the same challenge—we have significant challenges in recruiting and retaining public sector professionals. In education, that is particularly felt. We also have a large growth in the school-age population. In the part of the borough of Reading that I represent, in the last few years, two new primary and two new secondary schools have been established. A further new secondary school will be established in the near future.

So the basic need is high, and the pressure and difficulty of retaining skilled staff is high. We also face the additional challenge that we are not within London or the outer London weighting area, so a teacher might work just down the road in Bracknell or Slough, which also have real social challenges, yet the housing costs

there are much lower than in Reading or indeed Oxford. I should like to draw that to the Minister's attention and meet him to have a thorough discussion about these long-term pressures, as would some of my colleagues. I would appreciate the Minister's allowing me to address him directly on this issue.

Today's debate should have a real impact, based on the Minister's reaction, which I acknowledge. As we have heard, our nursery schools are a vital asset to our community. I urge the Minister to do everything that he can to raise this point with the Treasury. Is it possible to have a meeting to discuss the particular issues affecting certain parts of the country that are outside areas where there is additional funding for recruitment and retention?

3.57 pm

Darren Jones (Bristol North West) (Lab): It is a pleasure to follow my hon. Friend the Member for Reading East (Matt Rodda). Like others, I congratulate my hon. Friend the Member for Manchester Central (Lucy Powell) on securing this debate and chairing the excellent all-party parliamentary group, which I know many people from Bristol have come here to engage with. While I can, before the summing up, I also thank my hon. Friend the Member for Batley and Spen (Tracy Brabin), who on the Front Bench has been a consistent champion for us on the Back Benches on this issue.

As a new Member of Parliament, I have spent the majority of my time talking about Brexit. This debate reminds that one of the reasons I wanted to become an MP in the first place was not to debate the jurisprudence of the European Court of Justice but to help tackle the issues of poverty and help people from my constituency have the best chances in life. I am sure that every hon. Member, but especially Labour Members, came into politics to help tackle the root causes of poverty, and we know that early education plays a significant role in increasing social mobility for the people we represent.

Indeed, one of the Labour legacies—which include the national minimum wage, lifting 900,000 children out of poverty, and, much too late in our time in office sadly, the introduction of children's centres—of which I am most proud as a Labour Member is that under the Blair and Brown Governments higher education was opened up for people like me from families in which no one had never been to university before. That had such an impact on the life chances of many people with whom I grew up and now represent in my constituency of Bristol North West. That is why I am so proud of what my Labour colleagues in Bristol City Council are doing today. Under the excellent leadership of Councillor Helen Godwin, the cabinet member for children, women and young people, and lead member for children's services, they have worked hard, in difficult financial circumstances, not only to fund and maintain nursery schools, but to keep every children's centre open. They have been innovative in bringing children's centres on site together with nursery schools to provide a range of comprehensive early years provision for families who require different levels of support and different access. The centres can then be funnelled into the maintained nursery school system to help those young people as they progress to primary schools.

I should say on behalf of my hon. Friends the Members for Bristol East (Kerry McCarthy), for Bristol West (Thangam Debbonaire) and for Bristol South (Karin

[Darren Jones]

Smyth)—all of whom I know wanted to be here today—that we are united in our support and praise for the members of Bristol City Council, and in our desire to champion their case here in Westminster.

Bristol has a fine legacy of maintained nursery schools. I should declare my interest: I benefited from going to one—Bluebell Valley in Lawrence Weston, which is where I was born and which is in my constituency. Sadly, Lawrence Weston is still one of the most deprived communities in the country in respect of education, training and skills, so this is an emotional as well as a professional issue for me. I still see so many young people who deserve a better chance in life. That is at the heart of all this, which is why we are all so passionate about securing sustainable funding for maintained nursery schools and for early provision more generally: we know the difference that it will make.

We have already heard, in all the excellent contributions to the debate, the detailed requests and comments on policy that the Minister has been asked to convey to the Treasury, so I will not go through them again. Let me, however, mention Jackie McGregor, the headteacher of the excellent Filton Avenue nursery school in Lockleaze, in my constituency. I have met her on a number of occasions, and she is clearly practised in trying to keep the whole thing together in the face of cuts and changes—changes in policy, and organisational change. However, she and Sally Jaecle, the Bristol City Council’s head of early years services, feel that this may be the last straw. They do not know whether they can keep the school going without a commitment from the Treasury for sustainable funding after 2020. It really rings alarm bells when people who are so well versed in having to maintain excellent provision in the face of local funding cuts say to me, “Darren, we think that this is just one step too far: it is just going to be too hard.”

Before my election, I was the chair of governors at the primary school that I had attended a few decades earlier, which is now called Nova primary school. I saw at first hand the huge job that primary schools have to do in trying to bring young people up to the average by the time they reach year 6 if, owing to their backgrounds and environments, they enter the reception class with below-average basic skills. Often, when children go to secondary school and there is less support per pupil, they start to fall back. That is one of the structural challenges in the inequality of educational outcomes, but it can be sorted out fundamentally by maintained nursery school provision. Hard work needs to be done before children enter the reception class. I know from my first-hand experience as a governor about the need to go through all the progress charts and figures and track every pupil in a primary school. I know about the impact on not only those young people but their families, now and in the future.

Let me end my reiterating the request that has been made. I thank the Minister for corresponding with me on this issue regularly, and in a very positive manner. I know that he is with us in this cause, but I add my voice—and those of my hon. Friends across Bristol—to the increasing list of supporters for his request to the Treasury for sustainable funding for our maintained nursery schools. Many Members have mentioned the petition. In Bristol it has been signed by parents, teachers

and members of the community who are very concerned about this issue, and it will be presented next week. I wish the Minister Godspeed, and, as others have said, if there is anything that we can do to help him to sort out the funding, we are here with him.

4.3 pm

Jim Shannon (Strangford) (DUP): I congratulate the hon. Member for Manchester Central (Lucy Powell) on setting the scene so well. As always, I want to introduce a Northern Ireland perspective. I know that the title of the debate covers maintained nursery schools in the whole of the United Kingdom of Great Britain and Northern Ireland, but those who have spoken so far have spoken specifically about England and about their own knowledge. I want to speak about my knowledge of Northern Ireland, and also to speak as a father of three boys who went to nursery schools. I want to talk about the benefits that that experience brought them. That, I think, is in the spirit of the debate, and of what we are trying to prove to the Minister, if we need to do so. I think he is already on our side anyway, and I think he understands the importance of the issue.

The provision of nursery care is essential to the development of children, and also to the sustainability of working families. Without nursery care, maintained or otherwise, many parents would not both be able to work, and so they help to sustain working families, as has come out in this debate. Employers for Childcare, in the findings of its ninth annual childcare costs survey, has revealed that the average cost of a full-time childcare place in Northern Ireland is £166 per week, which is a massive amount of money for anyone and underlines the issue. I am sure it is as much of an issue in other hon. Members’ constituencies, and probably in some cases even more of an issue, although the difference in Northern Ireland is that wages are lower and therefore the cost in percentage terms is greater.

The survey revealed a slight decrease on the previous year, reflecting the fact that many childcare providers sought not to increase their fees, knowing that if they did many people would drift away. That said, affordability remains a critical issue. For two thirds of families, the childcare bill is the biggest or second biggest monthly outgoing, and so maintained nursery schools are critical.

I recently heard two mothers chatting about childcare at an event. One said to the other, “Well, it changes when they get to nursery, so hold on for another two years”. For many families struggling through this time of paying childcare while working the knowledge that they get a paid place for a morning or an afternoon makes a difference. We must ensure this continues in the maintained nursery sector.

The cost of childcare is a concern for many parents. All three to four-year-olds are now entitled to 30 hours of free childcare per week. This free education can take place in nurseries, playgroups, pre-schools or with childminders. The 30 hours are free for 38 weeks in the year—in line with term time—and are essential for families to survive.

Much of what hon. Members have said today resonates with me. The hon. Member for Chichester (Gillian Keegan) referred to the things that happen in nursery schools. They build character and personality. It is imperative that children get the benefit of this time with

trained professionals and others with an ability to interact positively with children. Nursery helps to build relationships, not only with children but with adults other than family members, and teaches children to play together and form strong relationships and friendships with other children. Where I live, it enables two communities to move closer together through their children and ultimately to build better relations between adults. I can see important benefits at that level.

Nursery instils social and communication skills and helps with other things such as learning to share and making friends, which go hand in hand. I recommend that hand-in-hand process as a reason for keeping them maintained. Children can begin to understand what sharing is and how to deal with situations by communicating and experiencing those new feelings. As fathers and mothers, we know how children sometimes fight over things they want. Nursery teaches them to share. From an early age, it can implant that thought in a child's mind.

Research shows that spending time in pre-school or nursery education enhances a child's development and stands them in good stead for starting school. My three boys attended nursery, and the friendships they built there continued into primary and second school and into their working lives. They are young men now—30, 28 and 25—and two of them are married. The youngest is not. I said to him one day, "Any young girls on the horizon?", and he responded, "No, not at the moment". I replied, "If you leave it as long as your dad, you've got another seven years until you get married". He is 25, so hon. Members can work out how old I was when I got married.

Nursery plays an important role in building relationships and friendships that last from the age of three or four right through to the age of my eldest boy, who is 30. All early years education providers follow the early years foundation stage framework, which sets the standards they must meet to ensure children learn and develop well and are kept healthy and safe. Starting this framework in nursery or pre-school helps the next stage of learning when starting school. The EYFS is followed through into primary school and gives children the knowledge and skills needed to be ready for school and to progress through school life.

The benefits of nursery—others have said this, and I am going to say it as well—dictate that we as parliamentarians should prioritise it. There must be funding to secure places for every child in this United Kingdom of Great Britain and Northern Ireland, and to ensure that every family has a nursery school at a reasonable distance to give their child a level playing field for starting school. I believe that we must also send the message to working parents that we want to help them to see the benefit of their hard hours of work. This is not just about the children alone; it is about the parents and about building family life as well. I see that as an important part of what I would like to see across the whole of the United Kingdom.

I support the hon. Member for Manchester Central and right hon. and hon. Members in retaining maintained nursery schools, the importance of which cannot be underlined enough. I very much look forward to the Minister's response.

4.10 pm

Tracy Brabin (Batley and Spen) (Lab/Co-op): This is my first time winding up a debate, and what an important debate it has been.

I pay tribute to my hon. Friend the Member for Manchester Central (Lucy Powell), who is such an extraordinary supporter of maintained nursery schools and the early years sector more widely. Her campaigning and stewardship of the all-party group on nursery schools, nursery and reception classes so often leads the way—keeping us all informed, connected and up to date on the plight of maintained nursery schools. I have to say that some of the biggest meetings I have ever attended have been meetings that she has organised with campaigners from far and wide across the country.

My hon. Friend's contribution raised some extraordinary and well-made points, but a couple stood out for me. One was her passion for change. She also said that this was

"social vandalism of the worst kind",

that we must support the holistic approach delivered by the maintained nurseries sector and that it would be a "crying shame" to see it disappear.

We also heard from some passionate and dedicated MPs about their own communities, and about the sense of pride they felt when they visit and witness what goes on in maintained nurseries in their constituencies. The hon. Member for Chichester (Gillian Keegan) talked about risk taking, creativity and art, and how they build resilience in young people, but also about how the potential loss of staff is deeply concerning. My hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) talked about "Stay and Read", the food that children take home and the work on speech and language. The right hon. Member for Chipping Barnet (Theresa Villiers) mentioned that the situation is very grave.

My hon. Friend the Member for Heywood and Middleton (Liz McInnes) had great pride in seeing how children have blossomed. My right hon. Friend the Member for East Ham (Stephen Timms) mentioned local links, the development of professionals and PVIs locally. A passionate speech was made by my hon. Friend the Member for Cambridge (Daniel Zeichner), who was, rightly, very angry. He highlighted the staffing pressures, given that the current rate is £4.04 per hour, and the uplift of 1p an hour seems derisory.

I really enjoyed the contribution of the hon. Member for East Worthing and Shoreham (Tim Loughton), the former children's Minister. He talked about attachment and how important it is, the support for the troubled families programme and the work he does on fathers. I have also been working on fathers—trying to get more men into the early years sector, to bring men into nurseries and to get more involved with their families.

As always, my hon. Friend the Member for Birmingham, Erdington (Jack Dromey) gave an extremely passionate and emotional speech, which moved a number of us to tears. He talked about a desperate mother with her two little boys getting support from the maintained nursery sector. He has done extraordinary work with campaigners and their fantastic petition. I know it has been sent to lots of Members, who I hope are sharing it. I also want quickly to mention my hon. Friends the Members for Lincoln (Karen Lee) and for Reading East (Matt Rodda),

[Tracy Brabin]

who both talked about the need for sustainability and the educational challenges. I thank all Members who made short interventions.

One thing that really stands out across the whole House is the strength of feeling about and our faith and belief in the maintained nursery sector. It has been a pretty consensual debate, but I accept that Members feel deeply passionate and angry about the situation—for good reason, I would say. Since becoming shadow early years Minister, I have been lucky to visit many places, including in Greenwich and Bradford. I know the Minister also makes many trips around the country to look at nurseries, including maintained nurseries. I am continually impressed by the passion, vision and leadership of the educators, the diversity of the pupils, and the quantifiable impact the nurseries have on children, primarily on those who have special needs and those from the most disadvantaged backgrounds.

Maintained nursery schools are not the only section of the early years sector to do tremendous work—PVIIs and childminders up and down the country also do fantastic work—but we are here today to discuss maintained nursery schools, so it is worth reiterating their many merits. They are often viewed as the *crème de la crème* of early years and many Members have said exactly that in this debate. As my hon. Friend the Member for Manchester Central said, 63% of the schools are rated outstanding by Ofsted and the rest are good. The majority of maintained nursery schools are in the 30% most deprived areas in England. Their pupil selection policies support those in greatest need and tend to work hand in hand with local authorities, an element that has become more important as other services funded by local authorities have declined and local authority budgets have been slashed to the bone. In Kirklees alone, we have lost 60% of our funding since 2010.

That has an impact on SEND provision, which is becoming a greater challenge for the early years sector. Maintained nursery schools employ SENCOs, which mean they can provide for children what other settings simply do not have the resources or expertise to provide. A report by seven local authorities in Yorkshire and Humber found that each school supports as many as 15 children with SEND, with many requiring education and healthcare plans. The same report found that the schools are increasingly accommodating children with complex life-affecting conditions who would usually attend a specialist setting. When maintained nursery schools become good at that, they find themselves supporting clusters of children with those particular needs, as well as those with extra needs. In short, where communities have maintained nursery schools, the quality of provision is improved either directly or through training networks. There are genuine hidden benefits that ease the pressures on other costly public services. Indeed, it is disappointing that so many communities are without these support networks. I would like to see more, but sadly at the moment it is more common to see a school under threat than it is to see a new school open.

Since 2010, we have lost about one in 10 maintained nursery schools; the number has fallen from 428 down to 394. To repeat what my hon. Friends have said, it is a crying shame that we are losing maintained nursery schools across the country. That is a loss to communities

which impacts on other public services. I would be interested to hear from the Minister when he is on his feet whether any assessment has been made of the cost to the public purse when a maintained school closes its doors. Many of the benefits these settings deliver are hidden benefits. For example, one case from East Riding of Yorkshire found that closing four maintained nursery schools would mean four additional social workers would be needed to provide the equivalent preventive work alone.

The crux of what we are discussing today is the funding of maintained nursery schools. I would call it a funding crisis, because brilliant provision comes at a cost: wonderful premises; education for free; risk taking; work on communication, literacy and language; support for parents and children; qualified teachers in the classroom; work that goes beyond the walls of the maintained nursery into the community; providing food after school for children whose parents are struggling; children with additional needs supported; and parents helped with their parenting skills. None of that comes cheap. We have seen 1,000 Sure Start centres across the country close, and the maintained nursery sector is picking up a substantial amount of that slack. I know that the Department for Education and the Minister have acknowledged that. They understand the crisis in maintained nurseries and they provided the supplementary funding block to help these nurseries stay afloat. I am adding my voice to those of the hon. Members who have spoken today. To refuse to give a funding commitment until the spending review later this year—until after the schools will need to set their budget for the coming years—is a disaster waiting to happen.

The Minister has said a number of times elsewhere and in this place that local authorities should not make premature decisions about the future of maintained nursery schools. That is welcome, but the sector is being asked to wait for the spending review, without a date or a commitment about whether it will be for one, three or five years. With Brexit looming, it is no surprise that the sector is deeply worried. How can he reasonably expect schools to commit to paying staff and to promising families that they will educate their children if they literally do not know whether they will be able to afford to meet that commitment, as funding could be cut mid-year? Should we not put this piecemeal approach to funding to one side? Should we not sit down with the maintained nursery schools and come up with a package that gives them financial confidence, not just for the next 12 months but for the next 12 years?

We are not talking about some sort of hypothetical financial calamity in the future. Maintained nursery schools are already struggling. In 2010, 3.5% of schools were in deficit to the total amount of just under £600,000. Since then, 34 schools have closed their doors and 20.3% of schools are now in deficit to the total amount of £4.8 million. More concerning still is the fact that 64% of them expect to be in deficit by 2020, even before the current funding settlement runs out. Sadly, the Government's current report card says, "Plummeting numbers and soaring deficits."

Be in no doubt that the threat to these schools is serious. The culture of disregard has been felt across the whole of the early years sector in recent years. Since the introduction of the 30 hours of so-called free childcare, all types of settings have been continually warning of

financial difficulties. The Government's own figures show that 53% of private nurseries in England have put up their fees since the introduction of the policy. Early years settings are trying to make do with less, but costs are rising all the time. It feels like they are often left standing against an oncoming tide. We cannot forget, either, that the minimum wage is rising again this year. We all support that, but early years is a low-paid profession and this rise affects it disproportionately. So I encourage the Minister to review the funding settlement, please. We want quality early years staff, but to get quality we need to pay them properly. Something has to change.

This debate has been informative, enjoyable, passionate and moving in parts. I and many Members in the Chamber look forward to what the Minister has to say. In conclusion, let me be clear: what we need and expect today is a clear funding plan. There has been praise for these services and schools, the things they provide for our communities, and encouragement of local authorities not to make premature decisions. It is good but it is not good enough. We need a commitment. These families and children are relying on the Minister to do the right thing. We need to fund the schools properly and give them certainty.

4.24 pm

The Parliamentary Under-Secretary of State for Education (Nadhim Zahawi): I congratulate the hon. Member for Manchester Central (Lucy Powell) on securing this important debate. We have had 13 excellent speeches from the Back Benches, including from my hon. Friend the Member for Chichester (Gillian Keegan), the hon. Member for Liverpool, West Derby (Stephen Twigg), my right hon. Friend the Member for Chipping Barnet (Theresa Villiers), the hon. Member for Cambridge (Daniel Zeichner), my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton), the right hon. Member for East Ham (Stephen Timms), and the hon. Members for Birmingham, Erdington (Jack Dromey), for Heywood and Middleton (Liz McInnes), for Lincoln (Karen Lee), for Reading East (Matt Rodda), for Bristol North West (Darren Jones) and for Strangford (Jim Shannon).

The common thread among all of them is that MPs from all walks of life have real knowledge of their maintained nursery schools; I totted it up, and they must have spoken about at least 25 maintained nursery schools, in itself a pretty robust sample if anyone ever needed one. What today's debate has highlighted is Parliament at its best, coming together on an important issue.

The hon. Member for Manchester Central and I have corresponded on these matters on several occasions. I have obviously visited a number of maintained nursery schools and have met the kind of headteachers that many colleagues have spoken about, and so have seen the leadership, passion and commitment that headteachers deliver in maintained nursery schools. She will know that I absolutely understand and support the role of maintained nursery schools in giving some of our most disadvantaged children the best possible start in life. It has been heartening to hear the overwhelming support today for these wonderful institutions, which in many cases have been working at the heart of their communities for decades—certainly well before this rookie MP and Minister got to this place. I also want to thank the hon.

Lady for her work in leading the all-party group that has done so much to raise the profile of maintained nursery schools and the challenges they face. I am pleased that we are having this debate today.

This Government's ambition is to provide equality of opportunity for every child, regardless of background or where they live. High-quality early education is the cornerstone of social mobility, and the evidence shows that it particularly benefits the most disadvantaged.

I am proud of what this Government are doing on early years. We have extended free childcare for three and four-year olds in working families to 30 hours a week. We are providing 15 hours of free early education for the most disadvantaged two-year-olds; since its introduction in 2013 over 700,000 have benefited from that entitlement. We have also introduced tax-free childcare, and by 2020 will be spending around £6 billion a year on childcare support. We have also made good progress on the take-up of early years entitlements, with 71% of eligible two-year-olds, 93% of three-year-olds and 96% of four-year-olds benefiting from some funded early education.

Childcare providers have done a fantastic job in responding to our ambitions and helping us to deliver our reforms. Thanks to the dedication of early years practitioners up and down the country, 95% of early years providers are now rated by Ofsted as either good or outstanding, and the percentage of children achieving a "good level of development" has improved every year since 2013. Over that same period, the gap between children in receipt of free school meals and their peers in terms of outcomes aged five has narrowed by 1.7%. However, too many children still fall behind in early years, and it is hard to close the gaps that emerge in that period. Some 28% of children still finish their reception year without the early communication and reading skills they need to thrive. That is why we set a bold ambition to halve that number by 2028.

Maintained nursery schools have played an important role, and their part in this is not to be underestimated in helping to achieve this ambition, not only in giving direct support to children but in sharing their skills and expertise for the benefit of the wider early years system; we heard that from many colleagues who described how they operate in their local community. They are a small, but important, part of that system. They currently provide around 4% of the universal entitlement hours for three and four-year-olds, and the best of them punch way above their weight in other areas as well. We know, for example, that they take greater proportions of children with all levels of special educational needs than any other providers; that, again, was highlighted in today's debate. I have seen for myself the great work they do, including at the Lanterns nursery in Hampshire and the Rothesay nursery school in Luton. The dedication and passion of their staff are truly inspiring.

I know that there is uncertainty over the future—we heard that loud and clear today. The current arrangements that protect maintained nursery school funding, which provide nearly £60 million of additional funding a year, are due to end in March 2020. This supplementary funding was a temporary arrangement to ensure that maintained nursery schools did not miss out when we introduced the early years national funding formula, and we need to decide what should happen once that supplementary funding ends. Our intention has been to look across the evidence and to resolve this question as

[*Nadhim Zahawi*]

part of the spending review negotiations. No maintained school yet knows its funding after March 2020—a fact that came across loud and clear from many colleagues today, including the right hon. Member for East Ham. That is a difficult place for the schools to be; I am aware that, on average, the supplementary funding for maintained nursery schools accounts for about a third of their budget. Their anxiety is understandable, and funding for the summer term of the 2019-20 academic year is clearly focusing minds.

In resolving questions of future policy, this Government are committed to making evidence-based decisions. This has always been a challenge in regard to maintained nursery schools because there are fewer than 400 of them and they have a wide range of delivery models, so it is difficult to include them in broader early years studies. There is research on quality in the early years, including stand-alone local studies of outcomes and national data about the children who use nursery schools, but together they do not definitively demonstrate the value that maintained nursery schools offer. The methods used in local studies vary, and many studies do not take account of other factors that have a crucial influence on a child's outcomes, such as the home learning environment.

To fill some of these evidence gaps and improve our understanding of maintained nursery schools, we commissioned further research last year to explore their services, costs and quality, compared with other providers. We wanted to look for the first time across the entirety of the services they offer in order to understand them better. I want to thank the maintained nursery schools, local authorities and others who participated in that research; we will be publishing it very soon.

Theresa Villiers: I warmly welcome the research that the Minister is talking about, but I am afraid that the clock is ticking. We need to plug the funding gap soon, otherwise more of these schools are going to start closing down.

Nadhim Zahawi: I am grateful to my right hon. Friend for that intervention. That message has come across loud and clear today, and this is something that we are very cognisant of.

Tracy Brabin: I would like to steer the Minister towards some fantastic research—if he has not seen it already—from the Yorkshire and Lincolnshire maintained nurseries. It contains empirical evidence about the value to local authorities of maintained nurseries and the impact of their closure. It provides clear evidence that we need to solve this funding crisis today.

Nadhim Zahawi: I am grateful to the hon. Lady for that. As I have said, we will be publishing our own research very soon. I know that this is later than we had originally hoped, and I apologise for that, but it is a complex piece of work and it is important that the researchers take the time to ensure that the findings are as robust as possible. If we are going to make those arguments, we are going to need that data. It will be a helpful contribution to the discussion, and I am prepared to look at any data points that colleagues can offer.

Stephen Timms: I think that that research will be useful, but can the Minister at least give an assurance today that maintained nursery schools will know by the end of the current financial year what their future funding is going to be?

Nadhim Zahawi: I am pushing as hard as I can to ensure that we are able to go back to the sector with a position as soon as possible. As I said earlier in relation to the urgency over admissions and the lack of clarity over the budget, I hope I can reassure colleagues that this is at the top of my to-do list in the Department.

We already know that there is significant variation both in the services that maintained nursery schools provide and the cohorts of children that they work for. Maintained nursery schools were originally set up over a century ago to serve the poorest communities. It is clear, as many colleagues said earlier, that the gentrification of certain areas means that some of them may be working with a different profile of community or that that has added to the pressure, and I look forward to meeting colleagues who want to discuss that further. While many nurseries take higher proportions of children with special educational needs and disabilities, and children in receipt of the early years pupil premium, there are others that, on the surface, do not look all that different from other providers. We will need to think carefully about how we respond to any disparities as we consider long-term solutions.

That said, I am conscious of the position in which local authorities find themselves. Many colleagues have made clear the urgency of addressing the financial crunch. Local authorities are already planning for 2019-20 and want to know how to treat their maintained nursery schools. I want everyone in the Chamber to know that I absolutely understand that. However, local authorities will also understand that the next spending review, which will set funding after March 2020, has not yet been announced. Owing to uncertainty over the exact date of the spending review, we are considering how best to handle transitional arrangements for several areas, including maintained nursery schools.

Despite such uncertainties, I am luckily not aware of closure processes starting under the local authorities to which I have spoken. That is an important point, showing that they are taking a sensible wait-and-see approach. I am grateful to them for their patience, and, as I have said elsewhere, I urge them to wait for the outcome of the process we have embarked upon before making decisions.

I want to take the opportunity again to thank the hon. Member for Manchester Central for her unstinting work in this area. She mentioned the deficit, and concern is increasing that maintained nursery schools are struggling to keep the books balanced, as many colleagues from around the country have said. A recent survey by the all-party parliamentary group on nursery schools, nursery and reception classes made a valuable contribution to the discussion. I think around 20% of maintained nursery schools were in deficit in 2017-18, which is slightly lower than the figure in the APPG's survey, but that does not mean that we should be complacent. It is possible that some of the difference reflects the anxiety within the maintained nursery school sector in the same way that another APPG survey from two years ago suggested that around 60 schools may be under threat

of immediate closure, and I am pleased that that number of closures did not happen over the subsequent two years. I hope that we can find a long-term solution, and that is my message to the APPG before the number of schools in deficit rises.

The message that I give to the House and take from the House is that we want to find a long-term solution for maintained nursery schools. In doing so, we will need to ensure that the high-quality specialist services that many of them provide in some of our poorest communities continue is safeguarded for the benefit of the children in their care. We also need to ensure that how we spend money across the childcare sector as a whole is structured to give all children the best possible start, so that they can go on to fulfil their potential. That, ultimately, is our shared ambition.

4.39 pm

Lucy Powell: I thank the 13 Back Benchers who have contributed to this debate and the many more who have intervened, which sends a powerful cross-party message to all parts of the Government, not just the Minister present today, that we want to see this issue solved, and solved quickly, on behalf of the maintained nursery schools in our constituencies.

The debate reflects the fact that there is a lot of evidence that maintained nursery schools are more than just childcare. They are high-quality early education in our most deprived areas, they support a large number of children with extra needs and they do a great deal more, as the Minister outlined, than simply providing nursery provision. That needs to be acknowledged.

The Minister talks about deficits and closures, but 2018 had the highest number of maintained nursery school closures in 10 years. This is already happening, and it is the tip of the iceberg. I appreciate his personal commitment, but as others have said, the cliff edge is fast approaching. Decisions are being made now for the next academic year, when the supplementary funding runs out.

I did not mention the two nursery schools in my constituency, Collyhurst and Martenscroft. I recently took the Secretary of State for Education to Martenscroft,

and he could not believe what he saw. He was deeply impressed, and towards the end of the visit he asked me, “Who pays for this?” I leave the Minister with that.

Question put and agreed to.

Resolved,

That this House notes that state maintained nursery schools are at the forefront of tackling low social mobility with 63 per cent graded outstanding by Ofsted, and 35 per cent good; further notes that two thirds of maintained nursery schools are located in the 30 per cent most deprived areas in England; notes that maintained nursery schools are recognised as being centres of excellence for supporting children with SEND in the early years; notes that the whole early years sector benefits from the expertise of maintained nursery schools acting as catalysts to raise standards in their locality through supporting schools and early years settings to work together to improve their quality; notes that despite welcome transitional funding the future viability of maintained nursery schools is under threat with 12 closing since 2016; notes the loss of transitional funding is equivalent to a 31 per cent cut in funding; and calls on the Government to safeguard the future of these vital early years institutions by guaranteeing transitional funding after 2020 as soon as possible whilst a long term plan to ensure their future viability is found by the Comprehensive Spending Review.

BUSINESS OF THE HOUSE

Ordered,

That at the sitting on Tuesday 5 February, notwithstanding the provisions of Standing Order No. 16 (Proceedings under an Act or on European Union documents), the Speaker shall put the Questions necessary to dispose of proceedings on—

(1) the Motion in the name of Secretary Sajid Javid relating to Police Grant Report not later than three hours after the commencement of proceedings on that Motion, and

(2) the Motions in the name of Secretary James Brokenshire relating to Local Government Finance not later than three hours after the commencement of proceedings on the first such Motion or six hours after the commencement of proceedings relating to Police Grant Report, whichever is the later; proceedings on those Motions may continue, though opposed, after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.—(*Amanda Milling.*)

State Pension Age: Women

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

4.42 pm

Tonia Antoniazzi (Gower) (Lab): I am grateful for the opportunity once again to raise the ongoing issue of state pension inequality for women born in the 1950s. I thank Mr Speaker for granting this debate in the light of the current judicial review, which has put the brakes on complaints brought by these women and given the Government a “get out of jail free” card on taking any further action.

As with any judicial review, this one will take time, and if the Government appeal the decision, they will be kicking the can further down the road. This back and forth through the legal system will not allow us to hold the Government to account and get any solutions for these women.

Liz McInnes (Heywood and Middleton) (Lab): I am struck by my hon. Friend’s comment that the judicial case prevents the Government from taking any action. From my point of view, the Government have deliberately taken no action whatsoever ever since the 1950s women began complaining about state pension inequality.

Tonia Antoniazzi: I thank my hon. Friend for her contribution. As parliamentarians, we are all extremely frustrated. I believe that these issues need to be clearly and comprehensively addressed by the Government, which was why I asked the Leader of the House a couple of weeks ago for clarification on the ambiguity. Given the legal challenge in the High Court, I asked how parliamentarians could continue to discuss and make representations in this House on behalf of their constituents and, more importantly, whether the Government would respond on this very important issue.

Darren Jones (Bristol North West) (Lab): Does my hon. Friend agree that our constituents look to us and to this place to get action, and that the Government’s leaving this situation to be dealt with in the courts shows a failure of the political process? The WASPI women—the Women Against State Pension Inequality Campaign—should not have to go to court to have their voices heard.

Tonia Antoniazzi: That is exactly the situation we are in, and it is really sad—it upsets me, and it is frustrating. My constituents ask me what is being done, where we are and what we are doing, and this debate is an opportunity for the Government to respond to those questions.

Jim Shannon (Strangford) (DUP): I congratulate the hon. Lady on bringing the issue to the House for consideration. She has been proficient and active on this case. With 5,800 women in my constituency being out of pocket, many of whom are in manual labour jobs, my concern is that we are seeing a generation of women discriminated against and we seem to be achieving nothing for them. These women were told to expect something and they prepared their future financing around that. I am left wondering just what they did to warrant this treatment. Does she agree that this is nothing short of a disgrace?

Tonia Antoniazzi: I thank the hon. Gentleman for his contribution. Gower has approximately 5,600 women in this position, so we are talking about a similar number. Before I came into the House, I was always thinking that I had to plan for the future and that I knew what was coming. I was disappointed that I would have to be a classroom teacher until I was 67, because that is a very hard job. I understand the issues associated with pension inequality—we need to be equal—but the nub of this issue is that people did not have the time to prepare.

Tracy Brabin (Batley and Spennings) (Lab/Co-op): My hon. Friend is being empathetic and humane in her statement. There are nearly 6,000 WASPI women in my constituency, one of whom—a nurse called Sue—has been told she has to work another six years. The situation would be manageable if the Government were not so entrenched in their position of not agreeing to transitional arrangements. Does my hon. Friend agree on that?

Tonia Antoniazzi: I do agree, as I have been knocking on doors and met people who are in nursing and teaching, as I was. These people in physical jobs had planned to take retirement at the age of 60, but now are in a position in which they have to continue, and doing so is no mean feat. I feel that the Government have robbed the 1950s women of their pensions and their futures, ripping families apart and forcing more people into poverty as a result.

Before I say any more, I must pay tribute to my hon. Friend the Member for Swansea East (Carolyn Harris). As co-chair of the all-party group on state pension inequality for women, she has worked tirelessly across party, and behind the scenes, with other members of that group to put together a private Member’s Bill. I remind Members that although our proceedings seem very adversarial when we are in the Chamber, we do work together, because we want the best for our constituents. At the same time, however, we do want to hold the Government to account and to have our questions answered.

Patrick Grady (Glasgow North) (SNP): I congratulate the hon. Lady on securing the debate. If there were a free vote tomorrow, there would be an overwhelming majority in this House in favour of justice for the WASPI women. This is an opportunity for me to put on record the absolute support and solidarity of the Scottish National party for everything that she is saying. I know that many of us, including my hon. Friend the Member for Glasgow South West (Chris Stephens), who is in the Chamber, will be marching with the WASPI women in Glasgow on 23 February precisely for that justice.

Tonia Antoniazzi: I thank the hon. Gentleman for his contribution, as it reinforces my point that we are here to get the best for our constituents.

The private Member’s Bill would go some way to supporting the women who have been hit the hardest. It asks for a review to establish the costings for a compensation scheme. I know that that is not exactly what everybody wants, but my question to the Minister is this: what will happen when my hon. Friend’s private Member’s Bill has its Second Reading, which is scheduled for 8 March? Will the Government commit to fully responding to the Bill, or will it also fall victim to their can-kicking?

Jack Dromey (Birmingham, Erdington) (Lab): First, let me congratulate my hon. Friend on securing this debate. There are 30,000 WASPI women in Birmingham and they are Birmingham's best. They helped Birmingham and Britain, and they deserve justice and not to have their plans for retirement completely jeopardised by the Government's shameful behaviour thus far. Does she agree not only that they deserve justice in terms of transitional arrangements, but that everyone should do everything they can, and that if Andy Burnham can introduce free fares in Greater Manchester for WASPI women, Andy Street can do the same in the west midlands?

Tonia Antoniazzi: My hon. Friend is absolutely spot on. Loneliness and mobility are big issues for all people. I feel very strongly about loneliness in particular. Women need to be mobile, whether to continue work or to achieve further training. As my hon. Friend points out, if that is the case in Manchester, it should also be the case in the west midlands.

As I have said, the campaign is not about scrapping the equalisation of the state pension age, but about the way in which changes were implemented. It was unfair, and women are now suffering. Letters about pension age changes were only sent out 14 years after the Pensions Act 1995. Those 14 years would have allowed women to make alternative plans. Having a year's notice or five years' notice—

Liz McInnes: Or no notice at all.

Tonia Antoniazzi: Or even no notice at all—my hon. Friend took the words out of my mouth. That is just not acceptable and we have to keep fighting for change.

Dr Rupa Huq (Ealing Central and Acton) (Lab): My hon. Friend is making an impassioned, compelling and informed case. We have all had letters from people complaining not necessarily about what has been done, but about the way it has been done. I had a letter from Christina Fitzgerald, who has osteoarthritis, which makes it difficult enough to work as it is. One would think the Government would learn from their mistakes, but is my hon. Friend as scandalised as I am by the fact that only last week they snuck out another change for WASPI women? For people of mixed-age couples, from here on in, it will be only when the younger one reaches pensionable age that either of them will be allowed to claim their pension credit. Is not this yet another case of women having banked on something only to have the rug ripped from under their feet by this awful Government?

Tonia Antoniazzi: My hon. Friend makes a good and compelling point that I shall talk about in a moment. The UN special rapporteur on poverty said that the 1950s women were just "ill-prepared" to adjust. That is the injustice.

When I think about funding a compensation scheme, I think about the money paid into national insurance. Just as an indicator for the House, the national insurance fund accounts show an increase of nearly £2.3 billion in 2017-18, taking the fund to a total of £24 billion paid into the national investment account.

Sandy Martin (Ipswich) (Lab): Does my hon. Friend agree with the former Chancellor of the Exchequer, who said of another group who lost their expected pensions to which they were entitled—the Equitable Life victims—that we should act because

"it is the right thing to do"?—[*Official Report*, 20 March 2013; Vol. 500, c. 941.]

Is not that at least as true of the WASPI women?

Tonia Antoniazzi: I thank my hon. Friend for that intervention, because that is exactly the point. This is so wrong and we have to make sure that we do something about it. It is just unexplainable that we have women experiencing such hardship. What explanation can the Government give for not restoring to these women what is rightfully theirs, having paid their stamp, and for creating a huge problem for many by forcing them into poverty? What could the Government do to fund or reimburse these women? The Government evidently have access to their money and could do something.

I remember listening to the Minister in a Westminster Hall debate proposing a way forward for women who found themselves in dire straits without a job. He suggested that women take up an apprenticeship and retrain, find new skills and get a job. If only it was that easy! The challenges of finding employment are not made any easier by the fact that being an older person has its own challenges.

Louise Haigh (Sheffield, Heeley) (Lab): It is worth putting on record that that suggestion was so offensive to many of the women who have worked their entire lives and have already trained and gained qualifications. To suggest that these women go back to being apprentices was such a slap in the face after the way they have been treated time and again by this Government.

Tonia Antoniazzi: I thank my hon. Friend for her comments. That is exactly where we are, and it is just wrong. The Women and Equalities Committee commissioned—

Jim Shannon: Will the hon. Lady give way?

Tonia Antoniazzi: It would be a pleasure.

Jim Shannon: The hon. Lady is most gracious and kind in giving way. This is a very important point. Many people in my constituency are employed in manual labour, which means that, as they get older, they have disabilities, arthritis and other such issues. Does she agree that it is not realistic to expect those people to retrain? What they really need is their pension—and probably in many cases some sort of disability living allowance or an attendance allowance because of their disabilities.

Tonia Antoniazzi: The hon. Gentleman makes a very valid point. When the Women and Equalities Committee took evidence from people about the difficulties they face in finding work, we found that employers need to make sensible adjustments in order to keep older workers. Can the Government guarantee that that is being done? It is recognised that ageism remains—

Tim Loughton (East Worthing and Shoreham) (Con): I am very grateful to the hon. Lady for giving way because, otherwise, I might have been the only person not to interrupt her, and I do not want to feel like the odd one out. As the other co-chair of the all-party group and a signatory to the Bill, which shows that there is cross-party agreement on this, may I say that I

[Tim Loughton]

agree with much of what she says? Will she just emphasise that many of us, over many years, have been trying to get changes to the way in which these formulas have been calculated, but that there is real urgency now for women who are facing very serious hardship? Certain measures could be taken to alleviate that obvious hardship without having to change the whole formula of how we address the injustice that most of us agree has befallen a small group of 1950s women.

Tonia Antoniazzi: I thank the hon. Gentleman for his contribution and for the massive amount of work that he has been doing on the APPG with my hon. Friend the Member for Swansea East. It is imperative that the Government look after those women who are hardest hit, and do so as soon as possible.

Ageism remains a significant problem and is affecting people's ability to continue working into later life, despite long-standing laws against age discrimination. Discrimination in recruitment is a significant problem and the public sector is not leading the way in the retention of its older workers when it really, really should be. With that in mind, what actions have the Government taken to minimise ageism in the recruitment process? Let us be honest: when I think of some of the women in Swansea who have to carry on working, they will, unless they are still in their job, be left having to claim universal credit although they have worked all their lives. That can be an overwhelming and humiliating experience for many. Does the Minister think that the fuller working lives strategy is working and what aspects of the Women and Equalities report have the Government implemented?

I also wish to know what the Government have done to measure the wellbeing of this particular group of women? I think I know what the answer will be. Will the Department undertake a study to analyse employment levels among women born in the 1950s, the type of work they undertake and the levels of poverty for this group of women?

Chris Stephens (Glasgow South West) (SNP): Surely there is also an historic injustice here. If the women who were born in the 1950s were growing up in the 1970s, they would have been unable to go into a shop to get credit, or to rent a television, because those shop owners would have insisted that the male partner, or the father of that person, sign something to make sure that they could get those things. There really is an historic injustice in the way in which 1950s women have been treated by society.

Tonia Antoniazzi: That highlights the tragic state of our nation and how we have been treating women over the years. We have made great advances but, again, it is this group of women that has been hit the hardest.

There are different issues facing the women who are hit by these changes, and there are a number of movements that represent them. WASPI is the most recognised campaign, but all of them are directing their complaints about maladministration to the parliamentary ombudsman, rather than following the route of a judicial review like the BackTo60 women.

Bambos Charalambous (Enfield, Southgate) (Lab): I have a number of constituents who have tried to contact the Department, but have not successfully received a response. This just adds insult to injury. Does my hon. Friend agree that the Government need to ensure that people get full responses to their inquiries?

Tonia Antoniazzi: When people write to complain, their correspondence has to be recognised, responded to and acted on. It is an absolute disgrace if that is not happening.

5 pm

Motion lapsed (Standing Order No. 9(3)).

Madam Deputy Speaker (Dame Eleanor Laing): It is all right; the hon. Lady has not done anything wrong at all, although some hon. Members look puzzled. We have reached the moment of interruption, so I must call the Whip to move the Adjournment again.

Before I do so, let me take the opportunity to make a not very exciting announcement regarding a correction to the results of yesterday's deferred Divisions. In all cases, there was one more Aye vote than previously announced. In respect of the Question relating to consumer protection, the Ayes were 310 and the Noes were 268. In respect of the Question relating to financial services and markets, the Ayes were 310 and the Noes were 261. In respect of the Question relating to floods and water, the Ayes were 311 and the Noes were 267. In respect of the Question relating to radioactive substances, the Ayes were 310 and the Noes were 265. The results of the Divisions were obviously not affected. I am sorry that I had to interrupt the hon. Lady's debate to make that announcement, although the real reason for the interruption was for the Whip to move the Adjournment again. The hon. Lady will not lose any time from her debate because of these procedural matters.

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

5.1 pm

Tonia Antoniazzi: We all know that not all aspects of state pension inequality are the same, which is why I was shocked by a letter from the Minister published yesterday by the Work and Pensions Committee. The letter states that the Department has concluded that the issue in the judicial review does have an impact on the ongoing complaints. But when so many of these complaints are different, will the Government tell us what aspect of the complaints make them incompatible with the judicial review? Do the Government intend to clarify what part of the grievances can be taken forward or is this just another classic exercise of kicking the issue into the long grass, hoping that the women will go away once they have their state pension, and vanish into thin air?

Chris Stephens: I am a member of the Work and Pensions Committee, and insisted that a letter went to the Minister to ask about the number of cases. Does it shock the hon. Lady that 2,505 cases were closed automatically as a result of the High Court decision? That is a real concern because a lot of people will not know the issues around the judicial review, and, as she says, this might very well be separate from the complaints about maladministration that were reported to the Independent Case Examiner.

Tonia Antoniazzi: This is a huge issue. Where do these people stand now? That is the problem. People are busy; they are working, looking after grandchildren and running around the place. We all know what I mean. My mum is currently rushing around after my 14-year-old. Life happens. When people get a response, how do they react to it? This is why the groups of women who support each other on social media are giving each other a shoulder to cry on and a listening ear. They are a force to be reckoned with and I thank them for their work.

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): I thank my hon. Friend for giving way; she is being very generous with her time. There are 8,500 WASPI women in Plymouth, but they are dying. Justice delayed is justice denied, and many WASPI women are dying in poverty before they get justice and the pension that they deserve. The fight must continue in order to give the people who are still alive justice, as well as all the women we have lost.

Tonia Antoniazzi: I thank my hon. Friend for that comment. I completely agree with him.

Can the Minister provide a rationale as to why the independent case examiner has closed these 2,505 cases, and say precisely why they were closed? Knowing this, the women would be able to work out which aspect of their case they could proceed with. Otherwise, how are they going to know what to do next? How many of these complaints could have been answered before 30 November, and why does it take so long to deal with them? Now they have just been filed somewhere, and that is simply not good enough.

I would like to raise my concerns about the recent written statement on the pension credit update of 14 January. Written statements are often seen in this House as a way to bury bad news, and these further changes to the pension credit rules appear to put strain on lower-paid women. Can the Minister confirm that the effect of this change will be to debar a pensioner of either gender from claiming pension credit until their partner also attains state pension age? This measure, if brought in on 15 May, will slash the income of couples affected who can claim pension credit in future by up to £7,000 a year, in the worst cases, compared with the current rules. It is also worth noting that many of those caught by this policy change are likely to be women born in the 1950s, who will have been hit by this double whammy and rightly feel especially aggrieved. I hope that the Minister can give further clarification on this point.

I want to give a personal angle. I am very proud of my constituents. A year ago, I held a meeting on this issue in Mumbles, with over 300 women attending. As I have mentioned, approximately 5,500 women in Gower have been impacted by the pension age changes. Since then, they have held a few meetings and set up the Pension Justice for Swansea Women group, which includes all the other local constituencies. I could talk all day about the cases of women across Swansea who have had their lives turned upside down. I know women whose projected state age pension had been part of their divorce settlement. Then, when the goalposts changed, they had to go and find work and be financially worse off. These are women who have had to find low-paid and unskilled work to make ends meet—and, as I have

said, they were lucky to even find that job. I know many women who have caring responsibilities, including one who looks after her grandchildren so that they do not go into care and cannot find a job to fit in with school hours.

Karen Lee (Lincoln) (Lab): As my hon. Friend knows, I was a nurse, and I am of the WASPI age too. A lot of the people I worked with had worked long and hard all their lives, as care assistants and housekeepers as well as nurses. They did not earn enough money to save anything. Now the goalposts have moved and they cannot retire, but they are too old to do that really hard, physical work. It is terrible—shameful. Yet we hear a lot of warm words about looking after our NHS staff.

Madam Deputy Speaker (Dame Eleanor Laing): Order. Let me give a little bit of advice to the hon. Lady. She turned her back on the Chair, and that means that she cannot be properly heard; and she cannot go on speaking when she has sat down again. It is not a silly, old-fashioned rule—it just works better if everybody looks the right way and stands up to speak. It is simple.

Tonia Antoniazzi: I thank my hon. Friend for making that point, because it is true. When people are doing physical jobs that they have done all their lives but now have bad knees or a bad back and are suffering, it is impossible.

Women are busting a gut to keep their families together. These are women I know like Pauline and Gaynor in Swansea who consider themselves to be better off than others but who, when they tell me their own stories, bring me to tears. That is why I do not want to let the Government off the hook. As parliamentarians, we cannot allow this Government to hide behind a judicial review.

I am grateful to the Speaker for granting this Adjournment debate, because the frustration of the 1950s women is unabated. Today they are here, they are watching online, and they are listening to us intently. The strength of feeling is real. The clip of me on my Facebook page asking the Leader of the House a question two weeks ago had 1,300 shares and hundreds of comments and likes—from across the United Kingdom, not just Gower and Swansea. No amount of can-kicking and hiding behind sub judice will make these excellent and committed women go away. This is an opportunity for the Minister to give some clear answers, do the right thing and restore faith, which I hope he will do.

5.9 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Guy Opperman): I congratulate the hon. Member for Gower (Tonia Antoniazzi) on securing the debate. It is an opportunity for me to address some of the points that she raised, as far as I can, given that a judicial review is ongoing. There are obviously a number of key drivers behind the decision to make these changes by successive Governments, dating back well over 25 years. It is important to briefly restate them before I turn to her points.

This change was part of a wider trend towards gender equality. The decision was taken partly as a result of European and equality legal cases in the early 1990s relating to occupational pension provision. Life expectancy

[Guy Opperman]

and state spending were also key factors in the changes to state pension age. Following the passing of the Pensions Act 1995, the actual and projected growth in the pensioner population continued faster than anticipated as a result of increasing longevity. As a result, it was clear that a state pension age fixed at 65 was no longer affordable, fair or sustainable.

The Labour Government between 1997 and 2010, and the hon. Lady's predecessor who was the Member of Parliament at the time, took action in the form of the Pensions Act 2007, which introduced an increase in state pension age to 66, 67 and 68 for men and women. Further changes were brought in under the Pensions Act 2011, which accelerated the equalisation of women's state pension age and brought forward the increase in men and women's state pension age to 66 to complete by 2020.

The Pensions Act 2014 brought forward by eight years the increase in state pension age to 67 to complete by 2028, and introduced regular, independent reviews of the state pension age—the first of which was published by John Cridland in 2017—to ensure that the system remains fair, sustainable and affordable for taxpayers. It cannot be overstated how much life expectancy was one of the key drivers of the decisions of the Labour Government between 1997 and 2010, the coalition Government between 2010 and 2015, and the Conservative Government since then.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I thank the Minister for giving way. I recognise the point he is making with regard to the equalisation of pensions between genders and increasing life expectancy, and we are all grateful to be living longer. But does he recognise that these mainly working-class women did manual and physically oppressive work, often starting at the age of 15, and they are not sharing in the benefits of longer life expectancy because of health inequalities? Does he recognise that inherent unfairness?

Guy Opperman: There are a number of points to be made, and I will try to address them. There are two key issues to look at: life expectancy as a nation, as assessed by the Office for National Statistics or reviewed independently by John Cridland, and healthy life expectancy. In terms of general life expectancy, after the second world war, a girl born was expected to live to 81 years and a boy to 77 years. By 2019, those figures had increased by more than 10 years for newly born girls and by more than 12 years for boys, to 92 and 89 years respectively. The hon. Lady made a point about healthy life expectancy.

Chi Onwurah: Health inequalities and class.

Guy Opperman: I accept those points. That was specifically reviewed by John Cridland on an independent basis, as ordered by Parliament, in 2017. His report, a copy of which is in the Library, addresses those points.

I will make a couple of points on Cridland's report before I come to the issue of period life expectancy. Cridland sets out the figures on the first page of his report. In 1917 only 24 people reached their 100th birthday. In 2016 6,000 did. The expectation is that by 2015

56,000 people will reach this milestone. He estimates that by approximately 2047 life expectancy could be 98 for women and 95 for men. Given that when the state pension was introduced in 1908 it had a retirement age of 70, only one in four people were expected to reach that age and life expectancy thereafter was nine years, there has been a dramatic improvement in life expectancy.

Chris Stephens: Will the Minister give way?

Guy Opperman: I will move on to the particular point about healthy life expectancy.

I had prepared specifically for the south Wales example. I do not have the north-east examples, but they are broadly analogous. I may be able to provide the north-east examples before I sit down. The Office for National Statistics releases period life expectancy by local area of the United Kingdom, but not by parliamentary constituency, as I explained earlier to the hon. Member for Gower. Life expectancy at birth in Swansea is 77 for men and 82 for women, but it has increased for both men and women in that area since 2001 and 2003 by two years. It has increased in every local area of the UK over the same period. In the hon. Lady's region, life expectancy is 17 years for men at 65 and 20 years for women, and this has increased again since 2001 and 2003.

Tonia Antoniazzi: I thank the Minister for the personalised data for Swansea on life expectancy. While all of us will not disagree with the principle behind state pension equality, can we have an inquiry into the state of the nation—the state of the 1950s women currently in the United Kingdom, by area, including the north-east, so that we know what the impact has been on working women from mining families and similar backgrounds to mine in Swansea? For me, that would be a useful inquiry to have the results of.

Guy Opperman: With respect, the point about individual cohorts and the deprivation point are answered in the Cridland report—an independent report published in March 2017. I was going to come to the hon. Lady's specific point about the assessment by the Women and Equalities Committee and address the point about difficulties faced by older workers and their ability to get employment.

The Government are committed to improving the outlook for older workers affected by the state pension age and removing the specific barriers. Some of this has involved taking practical action such as changing legislation. Other aspects involve a culture change. The latest figures show that employment rates for older workers have been increasing, with 10.3 million workers aged 50-plus in the UK. That is an increase of 1.3 million in the past five years, and 2.3 million in the past 10 years. The number of workers over 65 has now more than tripled, from 0.4 million 20 years ago to 1.3 million now.

The specific work changes have been removal of the default retirement age, and extension of the right to request flexible working to all, meaning that people can discuss flexible working requirement to suit their needs.

Tracy Brabin: Will the Minister give way?

Guy Opperman: Bear with me. I will try to answer the point made by the hon. Member for Gower and then I will let the hon. Lady question me.

In October 2018 the Department for Work and Pensions published the “Economic labour market status of individuals aged 50 and over, trends over time.”—a catchy title. Those official statistics provide analysis of the headline measures that the Government use to monitor progress on the fuller working lives programme. The hon. Lady specifically mentioned the programme, which was published a couple of years ago. As for data, the estimates of paid hours worked, the weekly, hourly and annual earnings of UK employees by gender, and full-time and part-time working by age group are already publicly available. They are published as part of the Office for National Statistics’ “Annual Survey of Hours and Earnings” statistical bulletin, which can be found online.

Tracy Brabin: Is there any impact assessment or data concerning young women who can no longer go back to work because their mum, auntie or grandma is having to find a job, so they cannot take up the job that they want because their mum, for example, can no longer provide free childcare?

Guy Opperman: I can only refer the hon. Lady to the specifics that I have given: the Department for Work and Pensions’ assessment, “Economic labour market status of individuals aged 50 and over”, which contains the official statistics that we use for the fuller working lives programme, and the survey by the Office for National Statistics. I do not have a specific answer to her specific question, but I expect a consideration of that point to be within the ambit of the work that those two organisations have done.

Chris Stephens: Will the Minister give way?

Guy Opperman: May I finish this point? Then I will, perfectly properly, allow the hon. Gentleman, who is a member of the Select Committee, to intervene. I am keen to deal with the issue of the judicial review, which I have not yet addressed.

We have appointed Andy Briggs as the business champion for older workers. Along with the Business in the Community Age at Work leadership team, he spearheads the Government’s work in helping employers to retain, retrain and recruit older workers, actively promoting their benefits to employers throughout England, both strategically and by means of practical advice.

I will now give way to the hon. Member for Glasgow South West (Chris Stephens).

Chris Stephens: I am grateful to the Minister. I will be brief, because I want to hear what he has to say about the judicial review. Is he saying that it is Government policy, as well as his view, that there is a difference between an individual’s working life expectancy and an individual’s life expectancy?

Guy Opperman: I shall try to respond to the hon. Gentleman’s question in writing in order to be specific, but my understanding is as per the Cridland report, which was fundamentally adopted by the Government. As the hon. Gentleman will know, the reviewers assessed

the position on an individual, independent basis, having heard copious evidence, travelling all over the country taking representations from trade unions and devolved Administrations and producing in the fullness of time, a very comprehensive report.

Let me now turn to the complex issue of the judicial review. Members will be aware that the High Court has ruled that a judicial review on these matters will go to a full hearing. The case is listed to be heard in the Divisional Court on 5 and 6 June. It would clearly be inappropriate for me, or any other Minister, to comment further on live litigation.

Members will also be aware that complaints of maladministration have been made about the Department’s handling of the communications relating to the state pension age changes. The Parliamentary and Health Service Ombudsman has decided to suspend consideration of those cases until a final decision has been made in the judicial review. Separately, the Department for Work and Pensions has suspended work on the complaints until a final decision has been reached by the courts. We have sent—and are sending—letters explaining that to individuals who have sent complaints to the Department in order to ensure that they are properly informed of the suspensions, and information has been added to the gov.uk website.

We have also undertaken to follow up individuals who already had active complaints in the DWP system, and to give them further information on next steps following the reaching of a final decision in the courts. It is right of course that we communicate those next steps as and when they are clear.

Matters outside the scope of the judicial review will continue to follow the normal DWP complaints procedure. Separately, the independent case examiner closed all the live maladministration complaints when they became subject to legal proceedings, as is required under its governance contract. When the legal proceedings are concluded, the independent case examiner could consider reopening the cases at the request of the Department.

The actions taken by the Department in respect of the maladministration complaints is consistent with the approach of the Parliamentary and Health Service Ombudsman’s office. As I pointed out in my letter to the Chair of the Work and Pensions Select Committee on 15 January, this approach is fundamentally consistent with any situation where the Government are subject to a judicial review, as in this case, whether in relation to their actions or the actions of another Government—I stand here defending the actions not just of this Government but of the coalition Government, the Labour Government of 1997-2010 and the preceding Government, all of whose actions are effectively the subject matter of the judicial review.

Tonia Antoniazzi: I am trying to get my head around this. The subject matter of the judicial review is not an issue of maladministration, so does the Minister not accept that there is no reason for these complaints to be on pause, as he put it?

Guy Opperman: I am conscious that I have limited time, so I will write to the hon. Lady and the Chair of the Select Committee to expand upon my answers. As I am sure she understands, I am constrained in what I can say about a live judicial review case, but I think I have

[Guy Opperman]

set it out in quite a lot of detail. The DWP cases are currently paused, but we would aim to ensure that these complaints are completed without a complainant necessarily reapplying. That said, I will go into more detail in writing and seek to amplify my answer in respect of the independent case examiner and the ombudsman system.

I want to address briefly the point about the national insurance fund that the hon. Lady raised. It is simply not true that the national insurance fund is used purely to reduce national debt. It is financed on a pay-as-you-earn basis with receipts collected in one year used to pay for certain benefit payments, including the state pension paid out in the same year.¹ It is important that the working balance of the national insurance fund remain positive, as this ensures there are always enough funds to pay for these benefits and allows the Government to deal with short-term fluctuations in spending or receipts.

If the balance of the fund is expected to fall below one sixth of the forecast annual benefit expenditure, the Government will transfer a Treasury grant paid for by general taxation into the national insurance fund. This ensures that benefits such as the state pension can always be paid as necessary. It is inaccurate to suggest there is a surplus in the fund that can simply be drawn upon. The balance of the fund is managed as part of the Government's overall management of public finances and reduces the need for them to borrow from elsewhere, so any additional spending from the national insurance fund would represent an increase in overall Government spending and, without cuts in other areas of spend or

additional taxes, an increase in Government borrowing. This is a policy that has been continued by successive Governments since the 1980s, and it simply is not correct to state that, had the supplement continued to be paid at the same level as previously, the fund would have the capacity to satisfy the claim of the ladies.

I will briefly touch on the issue of pensioner poverty to make the point that, since 2010, there are 200,000 fewer pensioners in absolute poverty, which is a record low. The hon. Lady will be aware that we spend £121 billion on benefits for pensioners, including £97 billion on the state pension this year—2018-19. The overall trend in the percentage of pensioners living in poverty shows a dramatic fall over several decades, from 40% in the 1970s to 16% in relative poverty now. Clearly, more needs to be done, but the direction of travel is quite clear. Between April 2010 and April 2018, the basic state pension has risen substantially, by £1,450 in cash terms.

The fact remains that the key choice any Government face when life expectancy is increasing is whether to increase the state pension age or to pay lower pensions, with an inevitable impact on pensioner poverty. The only alternative is to ask the working generation to pay an ever larger share of their income to support pensioners. I believe that successive Governments have made the appropriate but difficult decisions to equalise and increase the state pension age.

Question put and agreed to.

5.30 pm

House adjourned.

1. [Official Report, 7 February 2019, Vol. 654, c. 3MC.]

Written Statements

Thursday 31 January 2019

TREASURY

ECOFIN, 22 January 2019

The Chancellor of the Exchequer (Mr Philip Hammond):

A meeting of the Economic and Financial Affairs Council (ECOFIN) was held in Brussels on 22 January 2019. The UK was represented by Mark Bowman (Director General, International Finance, HM Treasury). The Council discussed the following:

Early morning session

The Eurogroup President briefed the Council on the outcomes of the 21 January meeting of the Eurogroup, and the European Commission provided an update on the current economic situation in the EU. Following this, the Romanian presidency held a discussion on the priorities for the next EU institutional cycle.

European system of financial supervision review

The Council held a policy debate on the review of the European system of financial supervision.

InvestEU

The Council held a policy debate on the InvestEU programme.

Current financial services legislative proposals

The Romanian presidency provided an update on current legislative proposals in the field of financial services.

Presidency work programme

The Romanian presidency presented its work programme for January to June 2019.

European semester 2019

The Council adopted Council conclusions on the 2019 annual growth survey and the Council conclusions on the 2019 alert mechanism report. The Council also approved a Council recommendation on the economic policy of the euro area.

Economic and monetary union

The presidency provided an update following the euro summit in December 2018.

[HCWS1292]

FOREIGN AND COMMONWEALTH OFFICE

Foreign Affairs Council, 21 January 2019

The Minister for Europe and the Americas (Sir Alan Duncan): My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs attended the Foreign Affairs Council (FAC) on 21 January. It was chaired by the High Representative and Vice President

of the European Union (EU) for Foreign Affairs and Security Policy (HRVP), Federica Mogherini. The meeting was held in Brussels.

Current affairs

Ministers briefly discussed the situation in the Democratic Republic of Congo, Venezuela and Syria and noted the recent bomb attack in Bogotá and developments on Yemen.

Disinformation

The Council discussed the action plan against disinformation that was presented by the High Representative and European Commission on 5 December 2018. Ministers expressed their strong support for the plan and exchanged views on its implementation, underlining the need to respond to external security challenges while also respecting national approaches and protecting freedom of expression and of the media.

The Council highlighted the creation of an EU “rapid alert system” to share expertise and best practices, and to promote co-ordinated action, notably through awareness raising campaigns. Ministers stressed the need to engage with civil society, business and academia to tackle disinformation, as well as to work with international partners, such as NATO and the G7 on this issue.

The Council agreed that the EU’s operational capacities should be strengthened, including by reinforcing the three European External Action Service strategic communication taskforces.

EU-League of Arab States (LAS) relations

The EU-LAS ministerial is scheduled to take place in Brussels on 4 February and the first EU-LAS summit on 24 and 25 February in Sharm el-Sheik, Egypt. Ahead of these meetings the Council reaffirmed the importance of a strong EU-LAS partnership and the need to co-operate with the LAS in addressing a wide range of issues and common challenges such as multilateralism, trade and investment, the fight against terrorism, migration, and climate change, as well as regional issues.

EU-Association of Southeast Asian Nations (ASEAN) relations

The Council held a short discussion ahead of the 22nd EU-ASEAN ministerial meeting that also took place on 21 January.

The Council agreed a number of measures without discussion:

The Council adopted conclusions on Nicaragua;

The Council imposed sanctions against the use and proliferation of chemical weapons;

The Council added 11 businessmen and five entities to the list of those subject to restrictive measures against the Syrian regime and its supporters;

The Council adopted a decision in support of the biological and toxin weapons convention (BTWC) in the framework of the EU strategy against proliferation of weapons of mass destruction;

The Council removed two deceased persons from the list of those subject to restrictive measures against the Democratic People’s Republic of Korea (DPRK);

The Council removed one deceased person from the list of those subject to restrictive measures in respect of actions underlining or threatening the territorial integrity, sovereignty and independence of Ukraine;

The Council adopted its position on behalf of the EU within the European economic area joint committee on an amendment to annex IX (on financial services) to the EEA agreement;

The Council forwarded a Council decision to the European Parliament on the conclusion of an arrangement between the EU and the Schengen associated states on their participation in eu-LISA;

The Council adopted two decisions on the positions to be taken on behalf of the EU within the joint Council under the economic partnership agreement (EPA) between the EU and the Southern African Development Community (SADC);

The Council approved an information note about a recommended EU position for a reply to an ICAO state letter on the establishment of a technical advisory body and developments on the emissions unit criteria.

[HCWS1288]

HEALTH AND SOCIAL CARE

Negotiations for Primary Care Contract for GPs 2019-20

The Parliamentary Under-Secretary of State for Health and Social Care (Steve Brine): I am today updating the House on the outcome of the negotiations on the primary care contract for GPs between the General Practitioners Committee of the British Medical Association and NHS England.

For the first time a new five-year contract has been agreed for general practice across England which includes billions of extra investment for improved access to general practice.

The contract for 2019-20 will deliver the most ambitious reform in general practice in a generation and is the first major step forward in delivering The NHS long term plan. It aims to bring 20,000 extra staff into general practice by 2023-24 including pharmacists and social prescribing link workers. This will free up GPs to spend more time with patients who need them most.

It will establish new primary care networks across the country to ensure the NHS is fit for the future for patients, their families and staff. This is part of a record investment in primary medical and community services, which is set to increase by over £4.5 billion by 2023-24, and rise as a share of the overall NHS budget.

The contract will also protect the general practice workforce against rising indemnity costs by introducing a new and centrally-funded clinical negligence scheme for general practice from April 2019. The Department also intends to establish the arrangements for an existing liabilities scheme in April 2019, subject to satisfactory discussions with the medical defence organisations.

Other key elements of the contract include:

- a record £8.9 billion in funding in 2019-20,
- a 4% funding increase each year for the next five years,
- a review of GP access to address unwarranted variation in patients being able to book an appointment with their GPs, all patients able to access their records digitally by April 2020 and have the option of web/video consultations by April 2021,
- more joined up services as 111 will be able to directly book GP appointments for callers,
- greater transparency as GPs earning over £150,000 per annum will need to declare their earnings, and

streamlining of the quality and outcomes framework system with more clinically appropriate indicators to deliver focused improvements in the quality of care.

We understand that NHS England will apply the provision to personal medical services and alternative provider medical services where appropriate.

[HCWS1287]

HOME DEPARTMENT

EU JHA Opt-in Decision: Amended Proposal for EU Agency for Asylum

The Minister for Immigration (Caroline Nokes): The Government have decided not to opt in (under the UK's JHA opt-in protocol) to the amended proposal for a regulation of the European Parliament and of the Council on the European Union Agency for Asylum (EUAA). The proposal is an amended version of the proposal for a regulation of the European Parliament and of the Council on the European Union Agency for Asylum, and repealing the European Asylum Support Office (EASO) Regulation ((EU) No 439/2010).

The United Kingdom remains committed to continued engagement and co-operation with the EU on asylum and migration issues. The UK has provided deployments through EASO to Greece, in support of the EU-Turkey statement, and also to Italy. The UK took the decision not to opt into the initial proposal for an EUAA regulation, published in 2016, to repeal the EASO regulation, based on a number of problematic elements. Most notably, the regulation provides the EUAA with a significant amount of oversight over national asylum systems and, by opting in, the UK could become subject to evaluations and recommendations from the agency, who would have powers to get involved in member states' asylum systems. We remain of the firm view that the functioning of asylum systems is a sovereign issue.

Until the UK leaves the EU, we remain a full member, and the Government will continue to consider the application of the UK's opt-in to EU legislation on a case-by-case basis, with a view to maximising our country's commitment to protecting and enhancing our ability to control immigration.

[HCWS1289]

EU JHA Opt-in Decision: Recasting the Returns Directive

The Minister for Immigration (Caroline Nokes): The Government have decided not to opt in (under the UK's JHA opt-in protocol) to the proposal to recast the returns directive. The proposal is a recast of the returns directive (2008/115/ EC), and sets common standards and procedures to be applied for the return of illegally staying third country nationals to third countries.

The United Kingdom did not opt into the previous version of the directive, adopted in 2008, on the basis that it did not deliver the strong returns regime required by the UK and made the process overly bureaucratic. We believe this continues to be the case though we recognise that the recast seeks to establish clearer returns procedures and includes a number of additional provisions to those set out in the previous version of the directive.

Since the entry into force of the previous directive, the situation of migration in the EU has changed significantly. Member states face significant difficulties in returning illegally staying third country nationals including inconsistent definitions and varying rates of absconding. It is important that the UK acts in the national interest to maximise the return of those with no legal right to be in the country. The UK remains committed to continued engagement and co-operation with the EU on refugee and migration issues, and supports efforts to strengthen EU borders. While the approach led by the Commission may ensure consistency and strengthening of returns processes, it is unclear whether this recast will directly improve efficiency of returns. UK return procedures have continued to be a success in comparison to other EU member states, with strong relationships with third countries and new initiatives such as biometric returns. We remain focused on improving our returns procedures and do not rely on this directive to enact returns of third country nationals. Importantly, the Government are clear that border management is a sovereign issue.

Until the UK leaves the EU we remain a full member, and the Government will continue to consider the application of the UK's opt-in to EU legislation on a case-by-case basis, with a view to maximising our country's commitment to protecting and enhancing our ability to control immigration.

[HCWS1290]

PRIME MINISTER

Investigatory Powers Oversight

The Prime Minister (Mrs Theresa May): I have today laid before both Houses a copy of the annual report of the Investigatory Powers Commissioner, Lord Justice

Sir Adrian Fulford. The report covers the year 2017, including the establishment of the Investigatory Powers Commissioner's Office (IPCO) under the Investigatory Powers Act 2016, and the work of Sir Adrian's predecessors: the Intelligence Services Commissioner, the Interception of Communications Commissioner, and the Chief Surveillance Commissioner.

Overall, this report demonstrates that the security and intelligence agencies, law enforcement agencies and other relevant public authorities show high levels of operational compliance and respect for the law. The report also sets out the breadth and complexity of the powers covered by the 2016 Act and other legislation, and offers constructive criticism on the practical framework and individual instances of how these are used.

Further to section 234 of the 2016 Act, the Commissioner has also submitted to me a confidential annex to the report, dealing with the work of the security and intelligence agencies and the Ministry of Defence. I agree with the Commissioner's assessment that publication of the information contained within this annex would be prejudicial to national security and not in the public interest.

I would like to thank the current and previous Commissioners, and their staff, for their important work. I am also grateful to the security and intelligence agencies, Government Departments, and civil society organisations which have helped to establish IPCO.

I commend this report to the House.

Copies of the report have been placed in the Libraries of both Houses.

[HCWS1291]

Ministerial Correction

Thursday 31 January 2019

TREASURY

Taxation of Low-income Families

The following is an extract from a debate on Taxation of Low-income Families in Westminster Hall on 16 January 2019.

The Financial Secretary to the Treasury (Mel Stride): The Conservative party introduced the national living wage. We should be enormously proud of that fact.

It goes up by 4.9% in April, so those in full-time employment will take home £2,750 more than they did in 2010.

[Official Report, 16 January 2019, Vol. 652, c. 398WH.]

Letter of correction from Mel Stride:

An error has been identified in my response to this debate.

The correct wording should have been:

Mel Stride: The Conservative party introduced the national living wage. We should be enormously proud of that fact. It goes up by 4.9% in April, so those in full-time employment will take home £2,750 more than they did in **2016**.

ORAL ANSWERS

Thursday 31 January 2019

	<i>Col. No.</i>		<i>Col. No.</i>
ATTORNEY GENERAL	950	DIGITAL, CULTURE, MEDIA AND SPORT—continued	
Domestic Abuse: Prosecution Rates.....	952	Broadband and Mobile Phone Coverage: Rural	
Hunting Act: Prosecution Rates.....	955	Areas	945
Internet Trolling: Prosecution Rates.....	954	International Sport	943
Knife Crime: Prosecution.....	953	Music Education.....	947
Leaving the EU: Priorities.....	955	Nuisance Calls	935
Money Laundering	950	Social Media Platforms and Hate Speech.....	939
Oversight of Solicitors	958	Topical Questions	948
Soldiers and Veterans: Protection from		Tourism.....	941
Prosecution	951	TV Broadcasts: Audio Description	947
DIGITAL, CULTURE, MEDIA AND SPORT	935	TV Licences: Over-75s	936
Artificial Intelligence.....	946		

WRITTEN STATEMENTS

Thursday 31 January 2019

	<i>Col. No.</i>		<i>Col. No.</i>
FOREIGN AND COMMONWEALTH OFFICE	41WS	HOME DEPARTMENT—continued	
Foreign Affairs Council, 21 January 2019	41WS	EU JHA Opt-in Decision: Recasting the Returns	
HEALTH AND SOCIAL CARE	43WS	Directive	44WS
Negotiations for Primary Care Contract for GPs		PRIME MINISTER	45WS
2019-20	43WS	Investigatory Powers Oversight	45WS
HOME DEPARTMENT	44WS	TREASURY	41WS
EU JHA Opt-in Decision: Amended Proposal for		ECOFIN, 22 January 2019	41WS
EU Agency for Asylum.....	44WS		

MINISTERIAL CORRECTION

Thursday 31 January 2019

	<i>Col. No.</i>
TREASURY	5MC
Taxation of Low-income Families	5MC

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
Thursday 7 February 2019**

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

Thursday 31 January 2019

Oral Answers to Questions [Col. 935] [see index inside back page]

Secretary of State for Digital, Culture, Media and Sport
Attorney General

Business of the House [Col. 959]

Statement—(Andrea Leadsom)

Fashion Industry [Col. 984]

Select Committee Statement—(Mary Creagh)

Backbench Business

Equitable Life [Col. 992]

Motion—(Bob Blackman)—agreed to

Maintained Nursery Schools [Col. 1024]

Motion—(Lucy Powell)—agreed to

State Pension Age: Women [Col. 1061]

Debate on motion for Adjournment

Written Statements [Col. 41WS]

Ministerial Correction [Col. 5MC]

Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]
