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**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**Tuesday 19 February 2019**

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# House of Commons

*Tuesday 19 February 2019*

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

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### HEALTH AND SOCIAL CARE

*The Secretary of State was asked—*

#### PrEP Impact Trial

1. **Peter Kyle** (Hove) (Lab): What discussions he has had with (a) NHS England, (b) Public Health England and (c) local authorities on ensuring that the Government's commitment to double the number of places on the PrEP impact trial can be implemented in all trial sites as soon as possible. [909299]

**The Secretary of State for Health and Social Care (Matt Hancock):** On 30 January, we announced that we will increase access to PrEP, doubling the number of people who can receive this potentially life-saving HIV prevention drug.

**Peter Kyle:** Funding for HIV prevention has become quite complex, with a complex mix of central funding and local authority funding. Cities such as Brighton and Hove still have the highest contraction rates outside London. Will the Secretary of State meet me and the Terrence Higgins Trust to understand how that is impacting us on the frontline and tell us what more can be done?

**Matt Hancock:** Of course I would be delighted to meet the hon. Gentleman to discuss this matter. In the long-term plan, we made it clear that we are looking at commissioning arrangements for sexual health services. I am delighted that the number of new cases of HIV has been falling and that we have been able to declare that by 2030 we want the UK to have zero AIDS. That is an achievable, but hard, goal, and I will work with anybody to make it happen.

**Dr Sarah Wollaston** (Totnes) (Con): Does the Secretary of State share the widespread concern about the variation in availability of PrEP treatment, which is surely an unacceptable situation?

**Matt Hancock:** There is a variability in availability. Of course the current model of delivery is a trial—we have doubled the size of that trial but it is still a trial that runs until 2021. I am very happy to work with my

hon. Friend as well as with the hon. Member for Hove (Peter Kyle) to try to make sure that it is as available as possible.

**Andy Slaughter** (Hammersmith) (Lab): Hammersmith is one of the sites that is now closed. When will PrEP be made freely available? Here we have a drug that has almost 100% effectiveness and that will save money for the NHS through HIV protection. When will we see it available to anyone who needs it?

**Matt Hancock:** As I have said, last month we doubled the availability of PrEP, which is an important step in the right direction.

**Will Quince** (Colchester) (Con): Colchester is one of the sites that is now closed to men who have sex with men who want to access the HIV prevention drug PrEP. When will the Government's commitment, made almost three weeks ago, to double the number of places on the PrEP trial be implemented across all trial sites?

**Matt Hancock:** It is being implemented as we speak. I am very happy to talk to my hon. Friend about when it will be rolled out in Colchester.

**Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): I welcome the Government's commitment to end the transmission of HIV in England by 2030. However, HIV reduction was not mentioned in either the prevention plan or the long-term plan. How will the Government reach that ambitious goal without a concerted and fully costed strategy?

**Matt Hancock:** We do have a concerted and fully costed strategy. Indeed, I have given the commitment of ending new AIDS cases by 2030 with a plan around that. The long-term plan goes into detail about new ways of commissioning sexual health services. This is a very important area, and, as the hon. Lady says, it is an important part of the prevention agenda, and we will make sure that we get it right.

**Several hon. Members rose—**

**Mr Speaker:** Order. Before we proceed further, I hope that colleagues on both sides of the House will want to join me in extending a very warm welcome to Democratic New York State Assemblyman Sean Ryan, who is with us today. Welcome to you, Sir: we are delighted to have you.

#### Future of the NHS

2. **Jeremy Lefroy** (Stafford) (Con): What steps he is taking to secure the long-term future of the NHS. [909300]

**The Secretary of State for Health and Social Care (Matt Hancock):** We are increasing the NHS budget by £20 billion, or £33 billion in cash terms, over the next five years. This major investment will support the NHS to continue to deliver world-class care. The long-term plan set out a vision for the NHS, ensuring that every penny will be well spent.

**Jeremy Lefroy:** I thank the Secretary of State very much for his answer. Local accident and emergency departments, such as at County Hospital in Stafford, are absolutely vital for the long-term plan of the NHS. What can he do to ensure that funding is there for these departments because they need an awful lot of block funding and not so much payment by procedure—or payment as you go?

**Matt Hancock:** My hon. Friend, who is an advocate for Stafford beyond compare and an advocate for its A&E—he has personally put much effort into saving it and ensuring that it is in good shape—rightly makes the point that paying per person who comes through the door does not accurately reflect the costs of providing A&E, so we are moving to a much greater proportion of block funding for A&Es, with a smaller element that varies according to the costs of serving everybody, to ensure that the finances follow the need.

**Laura Smith (Crewe and Nantwich) (Lab):** The latest figures show that more than one in five patients visiting Leighton Hospital A&E in Crewe has had to wait for more than four hours, yet instead of receiving support, the trust has been financially penalised, unable to access capital support to fund improvements to its A&E, while at the same time losing out on the performance element of the provider sustainability fund. Can the Minister explain how the Government are supporting Leighton Hospital?

**Matt Hancock:** We are supporting Leighton Hospital through the delivery of the long-term plan and the extra £20 billion—£33 billion in cash terms—the first £6 billion of which comes on stream in April, in two months' time. It is true that a record number of people are going to A&E. We have to make sure that the record numbers being treated within the four-hour target are supported, but that we also support hospitals to do yet more.

**Lucy Allan (Telford) (Con):** In Telford, we have been waiting five years for the chance to ask the Secretary of State to call in for review a highly controversial plan called Future Fit. We now have that chance, and the Secretary of State has been really generous with his time in listening to MPs' concerns. The local council, however, has still not yet made any submission to the Secretary of State. Can he confirm that without that submission he cannot call in that scheme for review?

**Matt Hancock:** My hon. Friend has made the case very powerfully for the future of Telford Hospital, and I have enjoyed working with her, but it is true that the call-in powers that I have as Secretary of State can be exercised only when a scheme is referred to me by a local council. Should that happen, I will consider it very carefully.

**Ms Angela Eagle (Wallasey) (Lab):** Will the Secretary of State now come clean with the House and admit that the Lansley Act, which fragmented the NHS into tiny pieces, caused huge inefficiencies; and that successive Governments, including the one of whom he is a member, have starved the NHS of resources, which has caused a lot of the problems that our constituents face in increased waiting times and increased pressure on staff?

**Matt Hancock:** We care about securing the future of the NHS. That is why we are putting £20 billion extra into it over the next five years—£33 billion extra in cash terms. Yes, we will consider proposals being made for legislative changes, but what we care about is making sure that the NHS gets all the support it needs, and not just political nonsense.

**Richard Drax (South Dorset) (Con):** Does my right hon. Friend agree that one of the vital components to ensure the long-term future of the NHS is community hospitals? Will he meet me to discuss what can be done to recruit more qualified staff, so that beds at the Portland Community Hospital can be reopened?

**Matt Hancock:** I would be very happy to meet my hon. Friend to discuss that, because community hospitals have a vital role to play in the future of the NHS as more care is delivered close to home.

**Mr Dennis Skinner (Bolsover) (Lab):** It was not insignificant, what happened between '97 and 2010 under a Labour Government. They trebled the amount of money going to the national health service. It was a system of hypothecation, whereby a 1% increase in national insurance went directly to the national health service, and nobody else fiddled with it.

**Matt Hancock:** It is unusual, but I am delighted to be able to agree with the thrust of the hon. Gentleman's question. As he knows, we both come from Nottinghamshire mining stock, and it is surprising that we do not agree on more, but we do agree on the importance of having a properly funded NHS. That is why we have put the largest ever, longest ever cash injection into the NHS, because we care that it should be fit for the future.

### Toxic Air and Children's Health

3. **Christine Jardine (Edinburgh West) (LD):** What assessment he has made of the effect of toxic air on children's health. [909302]

**The Parliamentary Under-Secretary of State for Health and Social Care (Jackie Doyle-Price):** Poor air quality is the largest environmental risk to public health in the United Kingdom. Long-term exposure to air pollution can cause chronic conditions, such as cardiovascular and respiratory diseases, as well as lung cancer, leading to reduced life expectancy. It has a particular impact on children as they grow. There is evidence to suggest that the process of normal lung function growth in children is suppressed by long-term exposure to air pollution.

**Christine Jardine:** In Edinburgh West we have two of Scotland's most polluted roads, St John's Road and Queensferry Road, according to recent figures. Studies show that if someone lives with 75 metres of any major road as a child, they have a 29% increased risk of lifetime asthma. Given that across the country there are 2,000 nurseries close to roads with dangerously high levels of pollution, what action can the Minister assure us is being taken, along with counterparts in Scotland and in the Department for Environment, Food and Rural Affairs, to tackle this on a UK scale?

**Jackie Doyle-Price:** The hon. Lady will be aware that we have a clean air strategy, which, as she rightly says, is led by my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs. We have a number of measures designed to improve air quality, such as reducing all pollutants, getting more diesel and petrol cars off the roads, and tackling wood-burning fires. We also need to be much more vigilant in advising the public about the risks, and that includes on how they use their cars. Time was when I went to school we used to walk, but too often we see parents dropping off their kids with idling engines, and that causes pollution.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): The Minister is very good at warm words. Why does she not talk to the Secretary of State for Environment, Food and Rural Affairs, because his Department's plan is to tackle the poisonous air that our children and pregnant women are breathing by 2040? The fact is that children are being poisoned now. Get on and do something about it.

**Jackie Doyle-Price:** To be frank, I am not often accused of using warm words, but I will take the compliment. I can assure the hon. Gentleman that we are working very closely with DEFRA, but ultimately we need to encourage the public to change their behaviour, and we need to have a much more open debate about the consequences of bad air.

Several hon. Members *rose*—

**Mr Speaker:** Young Bridgen was a bit slow to stand but, now that I have seen him, let us hear from the fellow.

**Andrew Bridgen** (North West Leicestershire) (Con): Will the Minister join me in welcoming the work of UK researchers to develop a new protocol for managing asthma, such as a pill to reduce the number of attacks by targeting airway muscles, developed in partnership with researchers in Canada?

**Jackie Doyle-Price:** I will always welcome any research designed to improve the treatment of asthma. Certainly, from a public health perspective, we must do much more to prevent asthma and reduce the likelihood of life-threatening attacks.

### Mental Health Provision

4. **Craig Mackinlay** (South Thanet) (Con): What steps the Government are taking to improve mental health service provision. [909303]

**The Parliamentary Under-Secretary of State for Health and Social Care (Jackie Doyle-Price):** Under the NHS long-term plan, there will be a comprehensive expansion of mental health services, with at least an additional £2.3 billion in real terms by 2023-24. That builds on our ambitious targets for improving community and crisis care, with extra treatment for 370,000 adults per year, and for 345,000 children and young people by 2023.

**Mr Speaker:** Yes, but I think that the Minister is seeking to group this question with that of the hon. Member for Ochil and South Perthshire (Luke Graham). Am I right?

**Jackie Doyle-Price:** Yes, indeed. My apologies Mr Speaker.

**Mr Speaker:** I would not want the hon. Gentleman to feel any sense of social exclusion.

**Craig Mackinlay:** One of my constituents, Mark Verrion, is a patient of Kent and Medway NHS and Social Care Partnership Trust. He was first admitted on a temporary basis following an unfortunate but mild episode. He has now been institutionalised for 11 years, and he has been moved over 100 times during that period, often out of area. The trust has 289 out-of-area placements for adult mental health services, which is an increase of 100 over the past year, and the cost to local health budgets is obvious. Does my hon. Friend agree that my constituent and all the other out-of-area patients deserve local health provision to enable them to remain within the trust area?

**Jackie Doyle-Price:** I quite agree with my hon. Friend. Frankly, I am horrified to hear the account he has just given. We have made a priority of getting rid of out-of-area placements, because we know that patients do better when they are among family and friends. Clearly the case he has just outlined, which has lasted the past 11 years, is totally unacceptable. I will give it my personal attention and meet him to discuss it.

6. **Luke Graham** (Ochil and South Perthshire) (Con): What UK-wide steps is my hon. Friend taking to ensure that Scotland is not left behind in mental health provision, especially given that only two thirds of young people are referred within the 18-week timeline, against a 90% target? [909306]

**Jackie Doyle-Price:** As my hon. Friend knows, health is a devolved matter, but I am keen to share best practice with colleagues in Scotland, who face many similar challenges. In England, we will test four-week waiting times for access to NHS support in the community and we are committed to sharing that expertise, as we often do, with colleagues in Scotland.

**Eleanor Smith** (Wolverhampton South West) (Lab): In the Government's 10-year plan for the NHS, a growing share of the budget is promised for improving mental health services in the coming years. The mental health services in Wolverhampton are in a desperate state of underfunding now. I am receiving letters from my constituents telling me how they have to wait over a year or more to be treated. One woman told me:

"I personally know people who have attempted to take their own lives, thankfully unsuccessfully... but... aftercare once discharged from hospital"

is non-existent. When will people see the benefits of the 10-year plan? By the time the uplift takes place, it will be too late for some of them.

**Jackie Doyle-Price:** As we outlined in the 10-year plan, we fully recognise that there needs to be much more investment in community and crisis care, including direct access via the 111 service. By April, we will be able to put more flesh on the detail of how we will roll that out. I assure the hon. Lady that I am in no way



complacent about the challenges we face in ensuring that our mental health services are what people should expect of them.

**Paula Sherriff** (Dewsbury) (Lab): Last week, *The Guardian* revealed that hospital admissions for eating disorders have surged in the last year. Meanwhile, the number of children and young people with urgent cases of eating disorders who are treated within a week has fallen, and the number of those waiting between one and four weeks has risen. If prevention is better than cure, why do so many children and adolescents with eating disorders end up in A&E?

**Jackie Doyle-Price:** The hon. Lady is right in the sense that we have waiting targets for eating disorders, whereby the most acute cases should be seen within a week. We have seen very good progress—indeed, in most areas those targets are met. I will look into the cases that she has highlighted because we need to give attention to where the targets start to be missed. However, I assure her that we recognise that tackling eating disorders among our youngest people through early intervention must be done because prevention is always better than cure.

**Mr Simon Clarke** (Middlesbrough South and East Cleveland) (Con): On Friday, I joined the brilliant A&E team at the James Cook University Hospital in Middlesbrough for a night, and it was an insight into just how lucky we are to have our NHS staff—they are fantastic. On the subject of mental health, one of the key themes that recurred in the night was the problem of drug addiction and its impact on A&E pressures. What action will the Minister take in the long-term NHS plan to ensure that we can tackle addiction?

**Jackie Doyle-Price:** We are aware that substance misuse and addiction have a massive impact on mental health. Again, I point to the fact that we have objectives in the long-term plan, including joining up more effectively with local authorities' work on mental health. Tackling addiction and substance abuse is very much a priority.

**Mr Gregory Campbell** (East Londonderry) (DUP): The Minister will be aware of the high prevalence of mental health issues among ex-service personnel, particularly people who served in Northern Ireland and the middle east. What provision is she making for those who suffer unduly on the mental health front?

**Jackie Doyle-Price:** I am grateful to the hon. Gentleman for raising the matter. Through the military covenant, we have an absolute duty to provide the best possible care to those who have made that commitment to service on our behalf. Through NHS England's commissioning of specialised services, we are determined to ensure that we have the right provision for all our veterans and servicemen. I am in contact with the Ministry of Defence to ensure that we do all we can for them.

### Children's Hospices

5. **Martin Vickers** (Cleethorpes) (Con): What steps he is taking to improve the provision of care and support to children and their families in children's hospices. [909304]

**The Minister for Care (Caroline Dinagen):** In December, NHS England announced plans to increase funding for children's palliative care services to as much as £25 million a year over the next five years through match funding investment from clinical commissioning groups.

**Martin Vickers:** St Andrew's children's hospice, based in Grimsby, which serves my constituency and the wider Lincolnshire area, is greatly valued and much treasured by the local community. Will the Minister clarify exactly how the funding will be delivered and how St Andrew's can benefit?

**Caroline Dinagen:** I am grateful to my hon. Friend for mentioning his local hospice. We all have wonderful stories about the fantastic care delivered by hospices, particularly children's hospices, in our local area. NHS England will match fund clinical commissioning groups that commit to increase their investment in all children's palliative and end-of-life care services by up to £7 million a year by 2023-24. This, added to the children's hospice grant, which is currently £11 million a year, could therefore more than double NHS support to a combined total of £25 million.

**Gareth Snell** (Stoke-on-Trent Central) (Lab/Co-op): But the fact is that, even with those significant investments, most children's hospices will still be reliant almost exclusively on fundraising and philanthropic donations. Does the Minister agree that, for there to be a proper footing for children's hospices, there needs to be a much quicker move towards significant support from the state for these important facilities?

**Caroline Dinagen:** The hon. Gentleman talks about how children's hospices, and indeed hospices, have traditionally been funded, but what we are looking at is an incredible commitment by NHS England to the value that hospices, and particularly children's hospices, deliver not only in end-of-life and palliative care, but in respite care breaks and the immensely valuable outreach services that so many of them offer.

**Jack Brereton** (Stoke-on-Trent South) (Con): Will the Minister join me in thanking the Donna Louise children's hospice for its hard work in my constituency—it does incredible work—and in welcoming the new facility for young adults that it is hoping to open in the spring?

**Caroline Dinagen:** My hon. Friend is absolutely right to raise this. When children's hospices expand and include facilities for young adults, it can make such an immeasurable difference in their local area. In my area, the Naomi House children's hospice has opened Jackspace, which has been such a valuable resource. Hospices should be incredibly celebrated for all such facilities they offer.

**Jim Shannon** (Strangford) (DUP): Will the Minister take this opportunity to guarantee that the £11 million children's hospice grant will be protected for children's hospices, and indeed further increased as a result of the long-term plan to reflect the growing demand and the complexity of care provided by these lifetime services?

**Caroline Dinagen:** Yes. I think this is a really strong signal to clinical commissioning groups about how the NHS values the services provided by children's hospices—not just end-of-life and palliative care, as I say, but the

other respite and outreach services they provide. That is why giving them access to up to £25 million will make an immeasurable difference.

### Leaving the EU: Contingency Planning

7. **Nick Smith** (Blaenau Gwent) (Lab): What progress his Department has made on contingency planning for the UK leaving the EU without a deal. [909307]

17. **Ian Murray** (Edinburgh South) (Lab): What progress his Department has made on contingency planning for the UK leaving the EU without a deal. [909319]

**The Secretary of State for Health and Social Care (Matt Hancock):** Leaving the EU with a deal remains the Government's top priority, but we are preparing for every eventuality. I am confident that if everyone does what they need to do, the supply of medicines will continue unhindered.

**Nick Smith:** Will the Secretary of State say how much has already been spent since the NHS no-deal contingency plans were active, and what the overall bill will be?

**Matt Hancock:** Yes. About £11 million has been spent already. The NHS is not generally buying the extra medicines that are going into the elongated stockpiles, but the pharmaceutical industry is. We will of course eventually buy most of those medicines for the NHS. There have been costs to the pharmaceutical industry as well, but the cost so far to the taxpayer is £11 million. I expect it will remain at about that level, or a little higher.

**Vicky Ford** (Chelmsford) (Con): Some of my constituents with diabetes have contacted me about supplies of insulin. Will the Secretary of State give us an insulin-specific answer?

**Matt Hancock:** Yes. Whereas across all medicines we have requested that the pharmaceutical industry has an extra six weeks of supplies in case of a no-deal Brexit, in the case of insulin the two major providers have already made stockpiles of at least double that. That shows that those with concerns about access to insulin can know that the plans we have in place for insulin are being enacted even more strongly than elsewhere.

**Ian Murray:** But the Secretary of State is refusing to provide any reassurance to constituents up and down the country, and particularly to my constituents. I got an email yesterday from a constituent—I have no shame in quoting this—who said:

“I have type 1 diabetes, as does Theresa May, and the supplies of insulin, needles and blood testing equipment all come from Europe. Insulin is perishable. Without it, so am I.”

Will the Secretary of State come to the Dispatch Box and say to my constituents that, whichever disease they have and whichever medical supplies they require, they will get them even if we leave the European Union with no deal? Would not the best thing to do be just to rule out no deal?

**Matt Hancock:** I have already given the assurance that if everybody does what they need to do, I am confident that supplies will be unhindered. In the case of insulin, the stockpiles are already double what we

requested. However, on the point about the deal, the hon. Gentleman has a really important point about ruling out no deal being the best thing for people's supply of medicines. He knows as well as I do that if we want to rule out no deal, we need to vote for a deal, so he and everybody in this House should vote for the deal.

**Dr Philippa Whitford** (Central Ayrshire) (SNP): The serious shortage protocol statutory instrument would allow pharmacists to dispense alternative drugs when there is short supply, but, crucially, without consulting a GP. The problem is that they cannot access patients' records and might dispense a drug that has previously caused serious side effects. Is the Secretary of State really expecting such extensive shortages that phoning a GP will be impractical?

**Matt Hancock:** This change is to respond to the shortages that happen from time to time regularly in the NHS. Given that the supply of 12,300 drugs is typical across the NHS, there are always some logistical challenges. This protocol is to try to ensure that we can respond to those challenges as well as possible. Pharmacists are highly trained in what they do and perfectly able to carry this out as proposed.

**Dr Whitford:** The problem is that the key issue is not consulting the GP. The medical legal responsibility for any problems normally lies with the prescriber, yet the General Medical Council was not even consulted on this SI. Does the Secretary of State really think that such a significant change should be pushed through with a negative resolution and no scrutiny and debate?

**Matt Hancock:** Well, it is getting scrutiny and debate now. The change that is being proposed is about making sure we can get people the drugs they need. Of course the responsibility is on the pharmacist to ensure that it is the appropriate drug and, if necessary, that the GP is involved. However, it is absolutely right that we make changes to ensure that we have an unhindered supply of medicines whenever there are shortages—whether that is to do with Brexit or not.

**Jonathan Ashworth** (Leicester South) (Lab/Co-op): The Secretary of the State spoke with his characteristic self-confidence about the supply of insulin, but at the end of last week Diabetes UK said that

“despite reaching out directly to the Department of Health...we still have not seen the concrete detail needed to reassure us...we cannot say with confidence that people will be able to get the insulin and other medical supplies they need in the event of a no-deal Brexit.”

Why is Diabetes UK wrong and the Secretary of State right?

**Matt Hancock:** Diabetes UK is not a supplier of insulin. Of course, it plays an important role in representing those who have diabetes. We have given Diabetes UK reassurances, including, for instance, that the stockpiles we have for insulin are more than twice as long as we proposed and as required. That is an important assurance.

**Jonathan Ashworth:** I hope the Secretary of State will contact Diabetes UK to give it those reassurances directly.

On the various no-deal medicines statutory instruments that the House will debate today and on other occasions, the Government's own impact assessments say that, in a

no-deal scenario, the NHS will pay more for drugs, UK firms will face more red tape, and NHS patients will go to the back of the queue when it comes to international innovation. Given that the consequences of no deal would be so devastating for the NHS, will the Secretary of State—as, apparently, the Justice Secretary will—resign from the Government if it means blocking no deal?

**Matt Hancock:** If the hon. Gentleman really cared about stopping no deal, he would vote for the deal. There is something else that is worth saying about this shadow Secretary of State. He is a reasonable man—he is a sensible man—and I like him. My politics are probably closer to his than his are to those of the leader of his party, so why does he not have the gumption to join his friends over there on the Back Benches in the Independent Group, instead of backing a hard-left proto-communist as leader of the Labour party?

### Acquired Brain Injury

8. **Bim Afolami** (Hitchin and Harpenden) (Con): What steps the Government are taking to support charities and other organisations working on treating acquired brain injury. [909308]

**The Minister for Care (Caroline Dinéage):** Everyone who has an acquired brain injury deserves to receive the best possible care and rehabilitative service. To ensure that, the NHS long-term plan included £4.5 billion of new investment to fund primary and community health services over the next five years.

**Bim Afolami:** I thank the Minister for that answer. The NHS has a good strategy on community-based care. On acquired brain injury, will the Minister advise me and Headway Hertfordshire, a brilliant local organisation, on how we can be more proactively involved with the strategy and attract more funding from local clinical commissioning groups? Will she meet me and the organisation to discuss this matter further?

**Caroline Dinéage:** I am delighted that my hon. Friend mentions Headway, which is a fantastic organisation that does great work. I meet it regularly in my own constituency and I would be more than happy to do so with him. The partnership boards of local integrated care systems, which will plan and shape those services, will include the voice of voluntary services and the voluntary sector in their area. His local Headway branch would be well advised to engage with that group.

**Seema Malhotra** (Feltham and Heston) (Lab/Co-op): Some 1.3 million people are living with traumatic brain injury and related disabilities. Brain injury can be caused by excessive alcohol consumption, particularly among young people. What support will the Government be giving to local health services to increase the use of technology, particularly using creative industry developments, that can help rehabilitation for those with brain injuries?

**Caroline Dinéage:** There are several points here. On local community services, as the hon. Lady heard, we are putting an extra £4.5 billion into community and local health services. Through the National Institute for

Health Research, we fund brain injury research into how technology and other innovations can be used to better support people.

### Dementia Care

9. **Ms Marie Rimmer** (St Helens South and Whiston) (Lab): What plans he has to ensure that improvements to dementia care are included in the forthcoming Green Paper on social care. [909309]

**The Minister for Care (Caroline Dinéage):** The social care Green Paper will bring forward proposals to ensure that all adults, including those living with dementia, receive high-quality care whenever they need it. The Government also remain committed to delivering Challenge on Dementia 2020, making dementia care in England the best in the world.

**Ms Rimmer:** Sadly, there are an estimated 3,000 people over 65 living with dementia in my constituency. It is clear that the social care crisis is a dementia crisis. Alzheimer's Society research shows that dementia care providers often charge a premium rate of over 40% more than the standard rate. Will the Minister consider introducing a new dementia fund, as part of the Green Paper process, to end the unfairness facing dementia patients and their families?

**Caroline Dinéage:** The hon. Lady is absolutely right to raise dementia. It is a massive issue in everybody's constituency and there is hardly a family that is not affected by it in some way. We are on track to meet our pledge to invest £300 million in dementia between 2015 and 2020. We continue to fund research for dementia treatments and cures. The Care Act 2014 introduced a national threshold that defines the care needs local authorities must meet, eliminating the postcode lottery of eligibility across the UK.

**Huw Merriman** (Bexhill and Battle) (Con): When the Minister of State looks at the proposals for the Green Paper on social care reform, will she consider the German system of compulsory social care insurance? The rate has increased by only 0.94% since its introduction in 1994, while delivering care for dementia and other impacts that were not assessed back in 1994.

**Caroline Dinéage:** My hon. Friend tempts me to do some big reveals about the contents of the Green Paper. I will say that it will look at a number of different funding options.

**Stephen Lloyd** (Eastbourne) (Ind): On dementia in the community, many people with low-onset or mid-onset dementia can, with the right social care, stay in their home. The crucial part is to have the funding necessary to allow people to get social care support. Will the Minister, in the Green Paper, commit specific sums for social care to keep people with dementia in their homes?

**Caroline Dinéage:** The adult social care Green Paper will look at the long-term sustainability of the funding of the adult social care system. In the meantime the Government are investing by giving councils access to up to £10 billion over the current three-year period, to



help to address some of the shortfalls in adult social care funding and to ensure that people have the right services in their local areas.

**Mr Philip Hollobone** (Kettering) (Con): The best way to help dementia patients is to have joined-up NHS and social care provision. Will my hon. Friend work with the Secretary of State to take advantage of local government reorganisation in Northamptonshire to develop a combined NHS and adult social care pilot?

**Caroline Dinéage:** My hon. Friend is absolutely right to raise this point. Integrated health and care systems are very much the way forward if we are to deliver the future of adult social care that we all want. The long-term plan for the NHS was developed in tandem with the adult social care Green Paper and has already shown some of the innovations that we think will make a massive difference, such as the roll-out of the enhanced health in care homes model.

### Social Care Green Paper

10. **Giles Watling** (Clacton) (Con): When his Department plans to publish the Green Paper on social care. [909310]

**The Minister for Care (Caroline Dinéage):** The Green Paper on adult social care remains a priority for the Government. We will shortly be publishing this document, which sets out proposals to reform the adult social care system.

**Giles Watling:** I thank my hon. Friend for her answer. This issue was raised with me recently by Councillor John Spence of Essex County Council. I am concerned that two years later, we are still waiting for the publication of the Green Paper. Of course, we must get it right, but people need change to the social care system and they need it now. What further steps can she take to speed up this process?

**Caroline Dinéage:** I understand that my right hon. Friend the Secretary of State has met the gentleman my hon. Friend refers to. I understand and share my hon. Friend's frustration. We need to ensure that the social care system is sustainable in the long term and we have taken some time to get these big decisions right, but I can assure him that the Green Paper will be published at the earliest opportunity.

**Mr Speaker:** Order. The hon. Member for Blackburn (Kate Hollern) could very legitimately shoehorn her inquiry on question 18, which might not be reached, into this question, which has been. It is not obligatory, but don't be shy—get in there.

18. [909321] **Kate Hollern** (Blackburn) (Lab): Perhaps the Minister can respond about her failings with regard to Government cuts and local government, and particularly the impact on social care, because the Government have created a postcode lottery on the quality of care that residents face, particularly in Blackburn. The Secretary of State spoke about political nonsense to my hon. Friend the Member for Wallasey (Ms Eagle). What is a political nonsense is that Blackburn has faced a 60% funding cut from this Government, whereas Windsor and Maidenhead has had only a 19% cut. The Government

are creating a postcode lottery for adult social care in particular, and it is not acceptable. What is the Minister going to do address the inequalities between areas?

**Mr Speaker:** Nobody can accuse the hon. Lady of failing to take full advantage of my generosity.

**Caroline Dinéage:** I do not agree with the hon. Lady. What the Government have done is try to tackle the geographical inequalities in care across the country. We have increased councils' access to funding by up to £10 billion. That is a 9% real-terms increase in funding, but in addition to that, we have established a national threshold that defines the care needs that local authorities must meet under the Care Act. That has really started the work of eliminating the eligibility postcode lottery across England.

**Mr Chris Leslie** (Nottingham East) (Ind): It is two years since the Government promised the social care Green Paper. In that space of time, we have had a lot of words from the Government, but we have also had a lot of neglect from them on this particular issue. Does not this delay, this prevarication, putting long-term issues to the back burner, typify what is wrong with the broken politics in this country?

**Caroline Dinéage:** First, I welcome the hon. Gentleman to his new location in the Chamber. From that location, he might recognise that actually, there has been a failure of successive Governments to get to grips with this very thorny issue of the long-term funding of adult social care. We are the Government who have decided to tackle the issue. We will no longer put it in the "too difficult" pile, and we will be publishing this document shortly.

**Barbara Keeley** (Worsley and Eccles South) (Lab): But the Government are not tackling the problem of the long-term funding of social care, are they? Age UK found that 50,000 people who had applied for social care had died waiting in vain for that care in the 700 days after the Government first announced their Green Paper. How many more people will have to die waiting in vain for social care before the Government fix the crisis they have created?

**Caroline Dinéage:** I cannot stress enough how much money we have made available. The Government have given councils access to almost £10 billion—a 9% increase—to address this issue. Local authorities have a statutory duty to look after the vulnerable, the elderly and the disabled people in their area, and we have given them access to the funding to do it.

### Health and Social Care Sector Workforce

11. **Gavin Newlands** (Paisley and Renfrewshire North) (SNP): What steps he is taking to ensure a sustainable workforce in the health and social care sector. [909311]

**The Minister for Health (Stephen Hammond):** The long-term plan explicitly recognises the importance of the workforce, and my right hon. Friend the Secretary of State has commissioned the chair of NHS Improvement to work closely with the chair of Health Education England in leading detailed work programmes to deliver

an implementation plan. Social care plays a vital role in the forthcoming adult social care Green Paper, in which we will set out our plans to recruit, train and retain good people.

**Gavin Newlands:** The Minister is right about the workforce challenge for all four health services in the UK, but the number of students in England taking nursing degree courses in the past two years has dropped by 900; and at over 11%, NHS England's nursing vacancy rate is more than twice that in Scotland. With a 90% drop in the number of EU nurses coming to the UK because of Brexit and fewer students starting degree courses because of the cost, is it not time to follow Scotland by reintroducing the nursing bursary and ending tuition fees?

**Stephen Hammond:** I am sure the hon. Gentleman will want to recognise the latest UCAS data for this year's application cycle, which shows that, compared to the same time last year, there has been a 4.5% increase in the number of applicants for undergraduate nursing and midwifery courses. This is a significant improvement. He will also want to recognise that the loans system provides an extra £1,000. *[Interruption.]*

**Mr Speaker:** Order. Mr Luke Graham, calm yourself. You aspire to statesmanship, and I wish to cultivate and hone that legitimate aspiration—calm, Zen, statesmanship!

**Derek Thomas (St Ives) (Con):** On Friday, I was privileged to take part in the launch of the health and social care academy in Cornwall. Cornwall NHS and social care providers have come together to train local students, including mature students, within the local health and social care provision without student tuition fees so that they can secure a job in Cornwall. May I invite the Minister to come and see the work we are doing and welcome this local innovation that is helping to address the NHS workforce challenge?

**Stephen Hammond:** My hon. Friend rightly points out that there are several routes into healthcare professions, and I am delighted by what is happening in Cornwall. I understand that my right hon. Friend the Secretary of State will be visiting him in the very near future.

**Justin Madders (Ellesmere Port and Neston) (Lab):** We are in the midst of the worst-ever NHS workforce crisis, with more than 100,000 vacancies. The situation is unsustainable. Well-respected think-tanks say the figure could rise to 350,000 vacancies within a decade. What does the Minister consider a sustainable vacancy level both now and in a decade's time?

**Stephen Hammond:** The hon. Gentleman will recognise that the £20.5 billion in real terms that we are investing in the NHS under the long-term plan will make a significant difference. He will also want to recognise the roll-out of medical places, the fact that more people are applying for nursing places now than they were last year and the detailed implementation plans that my right hon. Friend the Secretary of State has commissioned. These will deliver a sustainable workforce.

## Sudden Cardiac Arrest

12. **Maria Caulfield (Lewes) (Con):** What steps his Department is taking to improve survival rates from sudden cardiac arrest. [909314]

**The Parliamentary Under-Secretary of State for Health and Social Care (Jackie Doyle-Price):** NHS England announced in the NHS long-term plan that it would work with partners to improve the community first response and build defibrillator networks to improve survival rates for out-of-hospital cardiac arrests. A national network of community first responders and defibrillators will help to save up to 4,000 lives each year by 2028. This will be supported by educating the general public, including young people of school age, about how to recognise and respond to out-of-hospital cardiac arrests.

**Maria Caulfield:** I thank the Minister for her response. Currently, 12 young people a week die from a sudden cardiac arrest, but 80% could be saved if those around them had access to a defibrillator. Will the Minister consider supporting the installation of defibrillators in all schools in England and Wales?

**Jackie Doyle-Price:** My hon. Friend is right to highlight the 12 deaths from sudden cardiac arrest in the young. Although the purchasing of a defibrillator is a matter for individual schools, the Government would encourage schools to buy them. The NHS supply chain is engaging with school networks to get good prices for these defibrillators, and the Department for Education has published on the Government website guidance for schools on buying and installing an automated external defibrillator. In addition, in January, the DFE announced plans for all children to be taught basic first aid in schools, including how to do CPR and use a defibrillator.

## Mental Health Patient Waiting Times: North-West

13. **Alison McGovern (Wirral South) (Lab):** What steps his Department is taking to reduce waiting times for mental health patients in the north-west. [909315]

**The Parliamentary Under-Secretary of State for Health and Social Care (Jackie Doyle-Price):** National waiting time standards for early intervention in psychosis, improved access to psychological therapies and services for children and young people with eating disorders are already being met, or are on track to be met by 2020-21, in the north-west. We will introduce new waiting times and targets under the NHS long-term plan, and we have an ambition to deliver many more treatments for all who need them.

**Alison McGovern:** Adult waiting times in Wirral for talking therapies to treat anxiety and depression are some of the worst in the country. The average waiting time between referral and first treatment is 48 days, and between referral and second treatment, when we know that someone needs help, it is 159 days. Will the Minister thank all the volunteers in Wirral who are trying to help those who are suffering from anxiety and depression, and will she explain to me what she is going to do to stop this crisis?

**Jackie Doyle-Price:** First, I certainly thank all the volunteers who do so much to support people in mental ill health. It is worth emphasising the role of the voluntary sector in that regard, and I encourage clinical commissioning groups to consider commissioning additional services from the sector, because so much of that wraparound care is as important as clinical intervention to repairing mental health.

There have been problems with the improving access to psychological therapies programme and with recovery targets in the past. The Wirral CCG has told me that the backlog of more than 1,000 patients has been cleared after it provided additional funds and that the IAPT targets are now being met, but obviously I will keep the position under review, and I thank the hon. Lady for raising the issue.

### NHS Hospital Parking Charges

14. **Robert Halfon** (Harlow) (Con): What plans he has to allocate additional funding to NHS hospitals to replace revenue raised by car parking charges. [909316]

**The Minister for Health (Stephen Hammond):** My right hon. Friend is aware of—and, indeed, welcomes—the Government’s commitment to providing an extra £20.5 billion in real terms for patient care over the next five years. Car parking charges are a matter for local NHS organisations, but most hospitals give concessions to some groups of users, such as patients who need extended or frequent access to hospitals.

**Robert Halfon:** Last year, the brain injury charity Headway said that it had paid a family £374 for hospital car parking charges. These charges are unacceptable. They are a stealth tax on patients, a stealth tax on the vulnerable and a stealth tax on staff. Will my hon. Friend scrap them once and for all?

**Stephen Hammond:** I commend my right hon. Friend for being a tireless campaigner on this matter. We have always made clear that staff, patients and their families should not have to deal with the stress of complex and unfair charges, and we introduced tougher guidelines in 2014, but I must stress that this is a local matter.

### Topical Questions

T1. [909324] **Tommy Sheppard** (Edinburgh East) (SNP): If he will make a statement on his departmental responsibilities.

**The Secretary of State for Health and Social Care (Matt Hancock):** To provide the best care, the NHS needs the best technology, and we are therefore bringing together leaders of the digital agenda across the NHS under a new organisation called NHSX. We are also publishing a new code of conduct for the use of artificial intelligence in the NHS. NHSX will report jointly to the NHS and to me, and it will lead this vital agenda so that the NHS can be a world leader in emerging technologies that help to cut costs and save lives.

**Tommy Sheppard:** Meanwhile, in the real world, Scottish Care reports that 30% of social care staff in the highlands are nationals from other European countries. They are paid the real living wage of £9 an hour as a matter of

public policy, but that is well short of the Government’s proposed limit of £30,000 for new immigrants in the future. Will the Secretary of State fight in the Cabinet to change that policy, or is he content to let these new immigration policies choke off the supply of labour to our social care sector?

**Matt Hancock:** We welcome people working in social care from the EU and from the rest of the world, and we need to ensure that that can continue, but we also need to ensure that we can train people locally to work in social care. That is incredibly important.

T2. [909325] **James Heapey** (Wells) (Con): GP surgeries across the Wells constituency are innovating with the employment of nurse practitioners, paramedics and other types of clinician to fill vacancies when recruitment of GPs has not been possible. While this often works well, we still have too many vacancies for doctors. What steps will my right hon. Friend be taking to encourage the thousands of GPs in training to consider practice in rural and coastal areas like mine in Somerset?

**Matt Hancock:** My hon. Friend makes an incredibly important point. As important as new technology is and new ways of working and nurse practitioners are, we still need more GPs, and we need more GPs especially in rural and coastal areas. The targeted enhanced recruitment scheme offers a £20,000 salary supplement to attract GPs to parts of the country where there are serious shortages, including in Somerset.

T5. [909329] **Neil Coyle** (Bermondsey and Old Southwark) (Lab): The Terrence Higgins Trust has made it clear that men are being diagnosed with HIV as a direct result of the limited number of places on the current PrEP trial. The Secretary of State has already said this morning that the doubling of the places on that trial is being implemented now, but that commitment was made over three weeks ago; when will implementation be completed across all trial sites including Burrell Street in my constituency?

**Matt Hancock:** I want to see this being implemented as soon as possible. It has already started, but we need commitment from local authorities as well as the NHS to deliver. I am very happy to work with the hon. Gentleman and all other interested Members to see it happen.

T3. [909327] **Dr Sarah Wollaston** (Totnes) (Con): Key parts of our NHS workforce are registered and regulated by the Health and Care Professions Council. Does the Minister share their concern about the steep rise in professional fees that they face—in particular, the loss of the 50% discount that applied to graduates within two years of qualifying—and will she look again at whether anything can be done to assist this key group of our workforce?

**The Minister for Care (Caroline Dinenage):** My hon. Friend is absolutely right about the need to support and enhance the protections for allied health professionals. One of the recent planned HCPC increases was to raise its annual fees by £16, but it would still remain one of



the lowest of any of the UK-wide health and care regulators. It is also important to remember that regulation fees are tax deductible.

T6. [909330] **Peter Kyle** (Hove) (Lab): The head of NHS Improvement, who is also a Tory peer, has said the biggest problem facing the NHS is that not enough people want to work in it. How did the Secretary of State take Britain's best-loved institution and turn it into something nobody wants to work for?

**Matt Hancock:** Thankfully, the recruitment both of nurses and doctors is going up, which demonstrates that people do want to work in the NHS, and so they should because it is an amazing place to work and it has a great mission, which is to improve the lives of everyone.

T4. [909328] **Giles Watling** (Clacton) (Con): Last September, the number of medical school places increased by a quarter, as we have just heard. That is great news, but apart from offering premiums, how can we incentivise newly qualified GPs to come to places like Clacton where we have an acute shortage?

**Matt Hancock:** My hon. Friend is absolutely right: the £20,000 bonus is an important part of the solution, but so is having more GPs, and the fact that we have a record number of people going into GP training at the moment is great news that Members in all parts of this House should welcome.

T7. [909331] **Toby Perkins** (Chesterfield) (Lab): A huge number of GP surgeries are struggling to recruit, and meanwhile lots of locums are making a lot more money being locums than working on permanent GP contracts. Will the Secretary of State consider offering his state-backed indemnity to those who commit to being on a permanent contract with a GP surgery?

**Matt Hancock:** Of course the nature of being in a GP practice is changing. For a long time practices, which are essentially private businesses, also had the benefit of rising property prices that brought additional income on top of their income from the NHS. That is no longer the case because property is so expensive, so many people are changing the way that GPs are employed, so they are directly employed rather than through practices. That move is happening, but it is just one of the many changes we are seeing to try to make sure that being a GP is sustainable, and clearly things are starting to improve because a record number of people are choosing to become GPs.

T8. [909332] **Tom Tugendhat** (Tonbridge and Malling) (Con): Mr Speaker, you will be aware of the fantastic work by the Edenbridge War Memorial Hospital in the town just near me, and you will also be aware of the fantastic news that we are having a new clinic built there. Does my hon. Friend the Minister agree that the money from the initial site, which was given by public subscription 100 years ago in memory of the young men who died in the first world war, should now be spent on medical facilities in the town?

**The Minister for Health (Stephen Hammond):** My hon. Friend has been absolutely passionate about securing the best possible outcome for his constituents. As he

knows, the Edenbridge War Memorial Hospital is held by NHS Property Services on behalf of my right hon. Friend the Secretary of State. Local NHS bodies in Kent are considering the future of services in the Sevenoaks area, including their nature and possible funding. I am sure that my hon. Friend will recognise that I cannot intervene directly, but I would be happy to meet him to discuss this further.

T9. [909333] **Stephen Timms** (East Ham) (Lab): The Central and East London breast screening service was performing well until last April, when it was transferred from Barts Health NHS Trust to the Royal Free London NHS Foundation Trust, even though the Royal Free and did not have enough staff. The number of women invited plummeted from 3,000 a month to 1,000 a month. Why was that transfer allowed to go ahead, given the clear warnings about what the consequences would be? Who is responsible for this failure?

**The Parliamentary Under-Secretary of State for Health and Social Care (Jackie Doyle-Price):** The award of the contract for the Central and East London screening service to the Royal Free was approved by both NHS England's London region and NHS England's commercial executive group. An agreed recovery plan was put into place to address the various issues. While the service did plummet to 1,100 in April 2018, it is currently inviting 3,000 women per month, which has been the normal monthly invitation rate for the service for the past three years. Women are currently being offered appointments in line with the agreed recovery plan and with the national breast screening standard, with 90% or more being invited within 36 months of their previous screening by October 2019.

**Paul Masterton** (East Renfrewshire) (Con): The internet and social media have provided huge opportunities and positives for our young people, but we have been far too slow to react to the negatives, including cyber-bullying and issues around body image. Will the Minister responsible for suicide prevention, or my right hon. Friend the Secretary of State, confirm that they are taking a truly cross-Government approach to this issue and that they will seriously tackle the role of the tech companies?

**Matt Hancock:** Yes; my hon. Friend is dead right to bring up this subject. The rise in material promoting self-harm and suicide online is dangerous, and it needs to be stopped. I am delighted that, under pressure from this House, Instagram has now decided to take down that material, but there is much more to do. In this country, it is this House that makes the rules, not the global companies.

**Bill Esterson** (Sefton Central) (Lab): The greatest damage from prenatal exposure to alcohol is often done in the first few weeks of pregnancy, yet three quarters of women in the recent Bristol University study said that they drank alcohol while pregnant. Will the Minister commit to ensuring that the chief medical officer's advice is given loud and clear by all health professionals: do not drink alcohol if pregnant or trying to conceive?

**Jackie Doyle-Price:** I am pleased that the hon. Gentleman has raised this important point. We need to deliver this important public message because, as he rightly observes,



the damage caused by alcohol can take place in the earliest part of pregnancy. Anyone seeking to get pregnant should be monitoring their alcohol intake, and in fact withdrawing altogether. It is important that we make the public aware of this, not least because of the rate of unplanned pregnancies, which continues to rise.

**Royston Smith** (Southampton, Itchen) (Con): Southampton is above the English average with nearly 6% of GP appointments being missed. Nationally, missed appointments cost the NHS more than £200 million a year. Does my right hon. Friend agree that a standardised online booking system featuring a reminder function with the option of cancelling or rescheduling an appointment would save money and reduce waiting times? Does he have any plans for such a system?

**Matt Hancock:** Yes, I do. This is one of the sorts of things that NHSX will drive forward. A decent IT system can reduce missed appointments in GP practices by a third—[*Interruption.*] So, while Opposition Members snigger about using modern technology and want to go back to the past, over here we are providing the best technology for the NHS for the benefit of patients.

**Louise Haigh** (Sheffield, Heeley) (Lab): A recent answer to a parliamentary question from my hon. Friend the shadow Minister confirmed that in nearly half of cases of mental health crisis, it is not NHS staff but the police who are conveying people hospitals. Will the Department conduct a review into the impact that this is having on people in mental health crisis?

**Jackie Doyle-Price:** The hon. Lady raises an important point. This is something that I am taking forward with the Minister for Policing and the Fire Service. We are acutely aware of the impact that this is having on policing services, and that is one of the reasons why, in the forward plan, we have directed so much support and priority to ensuring that the NHS 111 service works and that we have the community and crisis care services to back it up.

**David Tredinnick** (Bosworth) (Con): A report in *The Lancet* in March 2018 found that most drugs and injections are useless for lower back pain. What will my right hon. Friend do to find alternative treatments?

**Matt Hancock:** I pay tribute to my hon. Friend, who recently announced that he will be standing down at the next election, for the amount of attention he has given to broadening people's minds and to looking at what works and what the evidence shows works. We know, for instance, that social prescribing can help people and ensure that they get the support they need, and he has made a great contribution to that debate.

**Rosie Cooper** (West Lancashire) (Lab): After reviews by ACAS, Capsticks and Dr Bill Kirkup, will the Minister outline how he intends to deliver justice for both staff and patients of the Liverpool Community Health NHS Trust? How will he ensure that the board members who disgracefully refused to give evidence to Kirkup will be held to account and made to give evidence in future investigations?

**Stephen Hammond:** I pay tribute to the hon. Lady for her courageous campaigning on this issue. There have been several reports looking into the events at the trust, and we understand that further detail would be helpful to realising her wish that those in senior positions be held accountable. I hope she agrees that the Kirkup report has provided the basis for that, and I am happy to meet her to discuss how the matter may be advanced.

**Ben Bradley** (Mansfield) (Con): We all want a pipeline of talented staff entering our NHS. In many areas, the health service is a key local employer. Would the Minister welcome proposals for a specialist school in Mansfield, run in conjunction with our hospital trust, to ensure that we equip young people with skills and an aspiration to join our health service? May I meet him to discuss the matter further?

**Stephen Hammond:** My hon. Friend will have heard the answer that my right hon. Friend the Secretary of State gave about missed appointments, and I would be happy to meet my hon. Friend to discuss the situation in Mansfield. We encourage everybody to use technology to ensure that cancelled appointments are used for the benefit of others.

**Stephen Morgan** (Portsmouth South) (Lab): Mental health services need proper staffing, but 2,000 mental health staff are leaving the NHS every month. How do the Government expect to achieve any ambitions in the long-term plan without adequate staff?

**Matt Hancock:** The hon. Gentleman is right. When we put a large amount of money into a service, we of course need more people to deliver it. That is most acute in mental health, which is getting the biggest increase in funding—£2.3 billion of the £20.5 billion overall. I assure him that the Minister responsible for mental health and suicide prevention, my hon. Friend the Member for Thurrock (Jackie Doyle-Price), is working night and day to ensure that we attract the people we need to deliver the services that our people deserve.

**Mr Mark Francois** (Rayleigh and Wickford) (Con): May I ask a question in memory of my late friend Stephen Horgan, who died a few years ago from a rare form of blood cancer with just a few months' notice? In his memory, I am now a supporter of Bloodwise, an excellent charity that raises awareness of rare cancers. Asking on the charity's behalf, will the new workforce plan for the NHS include clinical psychologists, particularly those with cancer knowledge, to make the absolute best use of the welcome new resources, which I am sure Stephen's family also welcome?

**Matt Hancock:** Yes, my right hon. Friend puts it extremely well, because he reminds us of who we are here to serve when discussing questions of health and of cancer. He is right to raise this matter, and I can absolutely confirm what he asks for: we will deliver in Stephen's memory and in the memory of others who have died. That is what gives us the strength to carry on and try to deliver and improve services for everybody.

**Carol Monaghan** (Glasgow North West) (SNP): The Secretary of State talked earlier about a six-week stockpile of medicines, but radioisotopes for cancer diagnosis and treatment cannot be stockpiled. I have asked many

times about the future arrangements for radioisotopes post-Brexit, so will the Secretary of State detail them now?

**Matt Hancock:** In the event of a problem at the Dover-Calais strait, we will bring in radioisotopes by air, and we have already contracted an aircraft to ensure that that happens. That part of the planning is well advanced.

**Mark Pawsey (Rugby) (Con):** On Thursday, with Rugby's mayor, I had the great pleasure to open the new Brownsover surgery, which came about because of the

hard work of the patient action group. Will the Secretary of State welcome the work of patient groups in delivering NHS services?

**Matt Hancock:** I am absolutely delighted to welcome the work of the group, which has raised so much money, and of my hon. Friend, who stands up and makes the case for Rugby. More broadly, we should welcome all those who want to make a contribution to our hospitals and hospices. We take a broad-minded and open approach to welcoming people who volunteer hours or raise money to improve our great NHS.

## Northern Ireland Backstop

12.40 pm

**Nick Thomas-Symonds** (Torfaen) (Lab) (*Urgent Question*): To ask the Attorney General if he will make a statement on options for legally binding changes to the Northern Ireland protocol of the EU withdrawal agreement, which contains the backstop arrangement.

**The Solicitor General (Robert Buckland)**: Before I answer the hon. Gentleman, my constituents would expect me briefly to express their dismay and deep concern about Honda's announcement this morning, which will deeply affect the community. I anticipate the statement of my right hon. Friend the Secretary of State for Business, Energy and Industrial Strategy—

**Mr Speaker**: Order. Do not tell me what the situation is. The hon. and learned Gentleman is a Law Officer and a member of the Government. A sentence, but absolutely no more. He should have asked me in advance. He is either on the Front Bench or he is not. It is not for him to presume the right to speak of a matter about which he could speak if he sat on the Back Benches, which he does not.

**The Solicitor General**: I am very sorry, Mr Speaker, but I said what I said.

The Government recognise the legitimate desire of Members on both sides of the House to understand the legal effect of the proposed withdrawal agreement. On 12 February, the Prime Minister set out ways in which legally binding changes to the backstop could be achieved. She explained that the UK and the EU would hold further talks to find a way forward. Those discussions are ongoing, and it would not be appropriate to provide a running commentary.

**Nick Thomas-Symonds**: Thank you for granting this urgent question, Mr Speaker, and I thank the Solicitor General for responding. The reality is that there are 38 days until we leave the EU, and in all likelihood eight days until the next round of voting, and we are nowhere nearer having any further clarity on this issue. All this time, our economy, our jobs and our futures are affected by that uncertainty.

On 29 January, the Prime Minister told the House:

“What I am talking about is not a further exchange of letters but a significant and legally binding change to the withdrawal agreement. Negotiating such a change will not be easy. It will involve reopening the withdrawal agreement”.—[*Official Report*, 29 January 2019; Vol. 653, c. 678.]

Can the Solicitor General confirm that it is still Government policy to formally reopen the withdrawal agreement? If not, what positive, concrete proposals are the Government suggesting? Can he confirm whether the Government have actually put forward those proposals as options to the European Commission and the European Council?

Yesterday, on Radio 4's “Today” programme, the Minister for the Cabinet Office said:

“The Attorney General, Geoffrey Cox, is closely involved with the negotiations too, and he will be making a speech on Tuesday to set out how, in his view, the legal tests that he has set, about ensuring that the so-called backstop cannot be used to trap the United Kingdom indefinitely, could be met and overcome.”

Can the Solicitor General clarify exactly what the Attorney General's role is in the negotiations and when he will publish those legal tests? Are the Government seeking, as is reported in the media, a “joint interpretive instrument” on the withdrawal agreement, some sort of annexe to it, another exchange of letters, or changes to the political declaration?

We are about to make a momentous decision on the future of our country. The Government need to be clear with this House about precisely what their strategy is. Running down the clock is reckless and irresponsible. Surely this nation deserves better than a Government wandering in the wilderness, not even sure about what their next move is.

**The Solicitor General**: What would be reckless and irresponsible is for the Government to provide a running commentary on sensitive negotiations. I would have thought it is as plain as a pikestaff to the hon. Gentleman that that is not the way negotiations should be conducted. Let the Government get on with this work at pace, which is what we are doing.

Rather than criticising from the sidelines, it now behoves the hon. Gentleman and all Opposition Members to work for a constructive solution and end the uncertainty. It is in his hands as much as it is in the hands of the Government.

**Mr Kenneth Clarke** (Rushcliffe) (Con): I understand the dangers of a running commentary, but I have a little difficulty understanding by what process we have reached this point. As far as I can see, the serious negotiations are with the Democratic Unionist party and the European Research Group in my party to see what modifications to the withdrawal agreement we have negotiated they will accept. Ministers then go to Brussels to demand that the European Union accepts the changes and threaten it with leaving without a deal if the changes are not made. As my hon. and learned Friend understands it, are those roughly the tactics being pursued? Why does he think any European politician should accept a situation whereby the permanent open border in Ireland is subject to being terminated by the British Government at any stage they want or having an end date put on it, which seems to me a contradiction? Finally, does he think that the hard-liners in the ERG would accept even that, even if my right hon. and learned Friend the Attorney General produces some ingenious form of words that seems to make it legally binding?

**The Solicitor General**: As usual, my right hon. and learned Friend tempts me down many paths that I dare not take, simply because this is a negotiation between the United Kingdom and the EU. We heard yesterday from my right hon. Friend the Secretary of State for Exiting the European Union, who has been to Brussels and held a productive meeting with Michel Barnier, and my right hon. and learned Friend the Attorney General has been playing an important part in these negotiations. May I reassure my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) that the Government remain determined to get on with the job at pace?

**Joanna Cherry** (Edinburgh South West) (SNP): This morning, France's Europe Minister, Nathalie Loiseau, said that there will be no renegotiation of the withdrawal

[Joanna Cherry]

agreement. In saying that, she was simply echoing what has been said repeatedly by Donald Tusk, Jean-Claude Juncker, Angela Merkel, Emmanuel Macron and Leo Varadkar. That was the position made crystal clear to the Select Committee on Exiting the European Union when we met Martin Selmayr on 4 February. He said that the most the EU would be prepared to contemplate was an additional legal instrument or a codicil to the agreement, which would incorporate the sort of assurances set out in the letter from Tusk and Juncker dated 14 January but which would not contradict or change the existing text of the agreement. Can the Solicitor General confirm that that is still the position of the EU and that there is no question of the withdrawal agreement being opened up and renegotiated in relation to anything, let alone the backstop? Will he confirm that it is clear that there will be no time limit or unilateral exit clause to the backstop? If his position is that he does not want to give this House a running commentary, why is the Attorney General supposed to be elsewhere today, giving a speech about what is proposed, not to this House, but to I know not who? Is it true that that speech has been cancelled? If so, why has it been cancelled?

**The Solicitor General:** May I assure the hon. and learned Lady, who expresses a deep interest in the Attorney General's diary, that his plan is to make a speech about the issues, but it is not going to be some detailed exposition of a legal position, which he will bring to this House if appropriate? He has already shown an admirable willingness not only to address this House, but to comply with its orders, and I am sure he will continue to work in that spirit.

I am glad the hon. and learned Lady referred to the letter of 14 January, because it is important to remind ourselves that the Commission made it clear in that letter that it was determined to give priority to the discussion of alternative arrangements. That is very much part of the ongoing discussion. It would be somewhat difficult for me to commit the other party to the negotiation to a particular position. I have heard her comments with interest. I am here to speak on behalf of Her Majesty's Government and our position is clear.

**Sir William Cash** (Stone) (Con): As you know, Mr Speaker, I raised this matter urgently with you yesterday. Does my hon. and learned Friend accept that it is essential that when the Attorney General has had his discussions with the EU, he tables, in compliance with his parliamentary obligations, any asserted "legally binding" treaty text, in black and white, in the House itself by Monday 25 February, so that my European Scrutiny Committee can fully assess and report to the House on its legal meaning and the substance, and he does not merely address some audience at a City law firm?

**The Solicitor General:** My hon. Friend raises an important point, and both the Attorney General and I take the work of his Committee, a Committee of this House, with the utmost gravity. I assure him that any work that is done with regard to legal texts will of course be shared at the appropriate moment. I think he will understand that I cannot give him an absolute

commitment in terms of dates, but I have heard what he said and will certainly bear those comments very much in mind in the days ahead.

**Hilary Benn** (Leeds Central) (Lab): If the technology that could keep the border between Northern Ireland and the Republic as it is today existed, there would be no need for the backstop. The Solicitor General knows that that technology does not exist, and no one can say when it might become available. In those circumstances, will he please explain to the House how the Government can credibly ask for either a time limit or a unilateral exit clause, particularly when he knows that the EU has made it very clear that it has no intention of giving either?

**The Solicitor General:** The right hon. Chairman of the Exiting the European Union Committee elides two issues: the existence of the technology and the sensitivities of the communities on both sides of the border. I do not think any of the ongoing discussions relate to new technology in the sense that it needs to be relied on today; there is plenty of existing technology that could be used. The most important point, however, is the communities and their sensitivity. That is well understood by the Government. For the right hon. Gentleman to hang his hat on that as a reason for the absence of any potential termination clause or unilateral mechanism is to simplify things just a bit too far.

**Dr Andrew Murrison** (South West Wiltshire) (Con): Does the Solicitor General agree that whatever agreement is arrived at with Brussels, we must get away from the idea that the potentially forever customs union is seen as basecamp for our future trading relationship?

**The Solicitor General:** My hon. Friend is right to remind us that the future relationship document contains a range of options. The negotiation on that will begin as soon as possible; let us get the withdrawal agreement done so that we can have that debate urgently.

**Sir Edward Davey** (Kingston and Surbiton) (LD): Has the Solicitor General seen the study published yesterday by Irish Senator Mark Daly, in conjunction with two UNESCO chairmen, on the danger of a return to violence in Northern Ireland in the event of a no-deal Brexit? Given that Senator Daly says that his report

"highlights the responsibility of the UK government to stand by the backstop",

what weight have Her Majesty's Government given to the cause of peace in their discussions on the backstop?

**The Solicitor General:** I have not seen Senator Daly's report but will look at it urgently because, like him, I treat the cause of peace with the utmost seriousness. In fact, everything that the Government have said reveals their dedication not only to the letter of the Belfast agreement but to its spirit as well.

**Mr Mark Francois** (Rayleigh and Wickford) (Con): The Solicitor General has told the House clearly that the Government will not provide a running commentary on the negotiations—unless, of course, it is Olly Robbins, the Government's chief negotiator, who can get hammered in a bar in Brussels and give a detailed running commentary



to anybody who happens to be in earshot. That is extremely unprofessional behaviour for a senior civil servant. A Minister who did that would be sacked. What disciplinary action has been taken against Mr Robbins? Or does he get away with it because he is teacher's pet?

**The Solicitor General:** My right hon. Friend referred to a newspaper report on which it would be ill-advised for me to comment. Let me say this generally about our civil servants: whatever their role, position or views, they are in a singularly difficult position in that they cannot answer back.

**Nigel Dodds** (Belfast North) (DUP): Everybody knows that there is not going to be any hard border in Ireland and, given what Michel Barnier said, everybody knows that even in the event of a no-deal Brexit operational ways would be found so that there were no controls or checks, so all this is scaremongering. It is not going to happen. Anyone who knows anything about Irish politics knows that no Irish Government will introduce a hard border on the island of Ireland. That is the reality of the situation. The fact of the matter is that the Prime Minister has, as the Solicitor General knows, given a commitment to reopen the withdrawal agreement and to seek legally binding changes to the treaty itself. Yesterday, Simon Coveney ruled out legally binding language even outside the withdrawal agreement. Does the Solicitor General accept that some of the rhetoric coming from the Irish Government and others is bringing about the very thing that they say they want to avoid, which is the possibility of no deal?

**The Solicitor General:** The right hon. Gentleman is absolutely right in his call for everybody to cool it and to calm down when it comes to important issues such as the Irish border. I am not going to make comments about members of friendly Governments, but I will say that this is a time for calm heads rather than hot ones.

**Several hon. Members** *rose*—

**Mr Speaker:** On the subject of calmness, I think we should hear from a Lincolnshire knight. I call Sir Edward Leigh.

**Sir Edward Leigh** (Gainsborough) (Con): Thank you, Mr Speaker. This is really a taster for what will be a very calm debate: my Adjournment debate on Thursday on this very subject, which I am sure will be the highlight of the week. I do not ask the Solicitor General to provide running commentary, but has he noted that many international lawyers have said that if the EU does not want to reopen the withdrawal agreement, it would be entirely in accordance with international law for us to issue, either unilaterally or in agreement, a conditional interpretive declaration proclaiming that there will be an end date to the backstop? It is something that I have been boring on about for weeks now.

**The Solicitor General:** My right hon. Friend is anything but boring. He might be persistent, but boring? No. I commend him for his work in looking at this particular aspect of international treaty law and interpretation and urge him to pursue it.

**Mr Speaker:** The right hon. Member for Gainsborough (Sir Edward Leigh) is quite wrong. He is far too hard on himself. I have known the right hon. Gentleman for 25 years and have never been bored by him on any occasion. Never.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): I wonder whether the Solicitor General minds my putting on the record, and I hope he will also put on the record, the distaste that we felt at that personal attack from the Back Benches—I think from a member of the European Research Group—on a civil servant who is trying to do his job. The job that civil servants are trying to do is a very difficult one and the people responsible for that difficulty are the Government, not the civil servants trying to do a good job.

Does the Solicitor General agree that we need a running commentary in this House? I am glad that he has made this statement today, because the fact of the matter is that at a certain juncture in this dialogue we are supposed to be having to find the answer to this difficult problem, the Government side stopped talking to people. Will he resume the talks so that we can get this sorted?

**The Solicitor General:** The hon. Gentleman knows that I am here and always ready to talk, as are the Government, and the dialogue continues. The Leader of the Opposition has of course made an approach, which we welcomed. That is an important sign of the cross-party work that needs to continue.

I have said what I have said about our civil servants. Politicians are here to be accountable and to answer for our actions; civil servants are there to carry them out, nothing further.

**Vicky Ford** (Chelmsford) (Con): I find this urgent question from the Opposition somewhat bizarre, as only last Thursday the Opposition Brexit spokesperson, the right hon. and learned Member for Holborn and St Pancras (Keir Starmer), said that he had no problems with the backstop at all. For the avoidance of doubt, will the Solicitor General confirm again that the Government stand firmly behind all their commitments on the Belfast Good Friday agreement?

**The Solicitor General:** I will never tire of saying to my hon. Friend or to the House that we remain steadfast in our commitment to the Belfast agreement. It is as important to me now as it was when it was signed 20 years ago.

**Thangam Debbonaire** (Bristol West) (Lab): The Attorney General made a rather snippy remark, if I may say so, about my hon. Friend the Member for Torfaen (Nick Thomas-Symonds) having made a comment from the sidelines, and then implied that the solutions to this situation were as much in my hon. Friend's hands as in the Solicitor General's. He cannot have it both ways. Has the Solicitor General invited my hon. Friend to be part of the solution—yes or no?

**The Solicitor General:** I remind the hon. Lady, for whom I have a high degree of respect, of section 13 of the European Union (Withdrawal) Act, which gives this House the role of ratifying the withdrawal agreement. It

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is Parliament that has to ratify it and pass a Bill before that agreement is ratified. It is on us all—the buck stops with all of us before we can ratify—so please let us get on with it.

**Andrew Bridgen** (North West Leicestershire) (Con): Does the Solicitor General agree with the widely reported comments of Olly Robbins, the Prime Minister's chief negotiator, who, I believe, spoke in *vino veritas* when he said that he saw the backstop as a bridge to a future partnership? Clearly, that is a future partnership involving a customs union, which would prevent our having an independent free trade policy. If he does not agree with him on behalf of the Government, why is Mr Robbins still in his position?

**The Solicitor General:** My hon. Friend will have heard the answer that I gave some moments ago. I simply say that the backstop is not intended to be a bridge to anywhere. It is to be used only in extremis if we cannot achieve a future relationship. It cannot be a bridge; the bridge has to be with the withdrawal agreement and then our future relationship.

**Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): The Solicitor General seeks to justify the problem that is Brexit by insisting that the backstop is the problem. I understand that he wants to sympathise with the manufacturing communities in Swindon, Wales and elsewhere that are waking up to job losses, but it is difficult because he is in the Government. Given the evidence, how can the Government, abetted by the Labour Front-Bench team, continue to defend their myopia, their self-interest, and their talent for procrastination? When will he admit their part in this problem?

**The Solicitor General:** I can agree with the hon. Lady to this extent: it is incumbent on politicians from all parts of the House, most importantly on those on the Opposition Front Bench, to work to achieve a solution, rather than to achieve nano-party-political ends. I entirely agree with her. I have seen precious little of the former, and far too much of the latter, but God loves a sinner who repenteth, and I look forward to the Opposition following that advice and helping us all to do our duty and get the deal through.

**Sir Bernard Jenkin** (Harwich and North Essex) (Con): First, may I thank my hon. and learned Friend for making it clear that there are viable alternative arrangements, which the Government are discussing, arising from the so-called Brady amendment? Last week, President Tusk tweeted that no concrete proposals had been received from the UK Government. Will he now confirm that these proposals have been presented as Government policy to the European Union?

**The Solicitor General:** I am grateful to my hon. Friend. He knows that it would be invidious of me to provide that running commentary that I have been quite properly resisting. May I assure him that the discussions are more than diplomatic niceties? They are meaningful and substantial and will continue in greater depth in the days ahead.

**Mr Gregory Campbell** (East Londonderry) (DUP): Will the Solicitor General tell us whether the Government have made it clear to the European Union in negotiations that its insistence on the backstop will prove the most expensive financial and political wrongdoing of the past 60 years? There cannot be a hard border because of the complexity of the border on the island of Ireland.

**The Solicitor General:** The hon. Gentleman, with his deep knowledge of the border, speaks absolute truth when he talks about its complexity. May I assure him that this Government are dedicated to making sure that the backstop is fully understood and that we understand the importance of making sure that this House can coalesce around a deal that will be acceptable? I think that that is now very much understood in the corridors of Brussels.

**Mr David Jones** (Clwyd West) (Con): It is, of course, entirely reasonable that the Solicitor General should decline to conduct a running commentary on the progress of the negotiations, but can he at least confirm that, in approaching those negotiations, the Government have borne fully in mind the view of this House that the Northern Ireland backstop should be replaced with alternative arrangements—a state of affairs that I suggest would not comprehend a mere interpretative instrument?

**The Solicitor General:** Indeed, the Government listened very carefully when the House passed the so-called Brady amendment and have pursued the strands of work that were encouraged by hon. Members. That continues, and I am confident that it will bear fruit.

**Ian C. Lucas** (Wrexham) (Lab): Will the Solicitor General please confirm my view that the Prime Minister's withdrawal agreement creates a different set of trade rules applying on each side of the Irish sea?

**The Solicitor General:** Without going through the detail of the protocol, the hon. Gentleman knows that the particular construct of the protocol meant that, for certain items of trade, Northern Ireland was treated as a member of the single market. There would be an effective border if Great Britain changed its rules and there was a difference between the two. That is not our intention. I need not recite the matter any further. He knows that that is one reason why we have been looking carefully again at the backstop bearing in mind the decisions made by this House. It is time for him to come forward, be a statesman and vote for the deal.

**Sir Desmond Swayne** (New Forest West) (Con): Does this speech by the Attorney General include the assessment that the one thing worse than the backstop would be staying in the EU?

**The Solicitor General:** I have not yet read the speech, so it would be wholly premature of me to assume what my right hon. and learned Friend, with great style no doubt, will dilate upon.

**Mr Clive Betts** (Sheffield South East) (Lab): Will the Solicitor General give us an assurance that, if there is any change to the legal advice that the Government receive about the withdrawal agreement or any related

documents, that advice will be given to this House before we have the opportunity to vote on any resolution to which it might be relevant?

**The Solicitor General:** The hon. Gentleman makes a very proper point. Very careful consideration will be given to the publication of any documents that might emanate from my right hon. and learned Friend. We are very mindful of the position that we reached in light of motions passed by this House. At the moment, it would be wrong of me to prejudge anything that might or might not exist, but I heard the hon. Gentleman very clearly.

**Stephen Metcalfe** (South Basildon and East Thurrock) (Con): I agree with my hon. and learned Friend that it is not appropriate to provide a running commentary during these negotiations, but does he agree that, during any negotiation, it is not appropriate to remove the option of being able to walk away, because that is what focuses the mind?

**The Solicitor General:** Indeed, the Government have been very clear that, when it comes to negotiations, one should not willingly and wantonly abandon the cards that they have in their hand. That is the way that we will continue to negotiate—firmly but fairly and as openly as possible, consistent with our duties to this House.

**Peter Grant** (Glenrothes) (SNP): We have heard all the usual excuses today: blame the civil service; blame Brussels; blame Ireland for what is an entirely British-made problem. As long ago as December 2017, the Government, with the full support of the Democratic Unionist party, gave a binding commitment to provide a solution that would make their customs union red lines compatible with the Belfast agreement. Is it not the case that the only reason why the backstop will ever exist is that the Government have failed to deliver on those commitments? Will the Solicitor General not finally admit that, when it becomes clear that leaving the customs union and the single market is incompatible with the Belfast agreement, the Belfast agreement has to stay and the Government's red lines have to go?

**The Solicitor General:** I have not been seeking to blame anybody. When it comes to constructive negotiations, I believe not in blame games, but in trying to find solutions. It is high time that the hon. Gentleman and his party actually joined the solutions-based approach rather than constantly carping from the sidelines. I am absolutely fed up with that approach. It is time that they grew up and joined the debate.

**Huw Merriman** (Bexhill and Battle) (Con): The Solicitor General is not only a great fighter for workers in his constituency, but a canny negotiator for Government. Does he agree that, rather than Members of this place parroting position lines from EU 27 Government Ministers about how difficult it would be, we need to hold our nerve and keep our best card? That way, we will get a deal and ensure that we deliver democracy at the same time.

**The Solicitor General:** I am very grateful to my hon. Friend for his remarks about the communities that both and I and my hon. Friend the Member for North Swindon (Justin Tomlinson) serve in the context of Honda. He is absolutely right to say that it is rather rum

for people in this House and elsewhere to constantly believe the words of other negotiating parties and other Governments as gospel and refuse to accept anything that Her Majesty's Government might say as even in the remotest bit true.

**Mr Speaker:** As colleagues will know, the word “rum” was much favoured by PG Wodehouse of whose works, I suspect, the Solicitor General is, among others, a devotee.

**Gareth Snell** (Stoke-on-Trent Central) (Lab/Co-op): The Solicitor General says it is in the fate of the Labour party to help him secure a deal, but that simply is not true. What concessions, if any, will the Government make towards the deal that the Labour party has put down as a potential way through this? He knows that I have given his Government the benefit of the doubt on more than one occasion by not supporting things that my party has asked me to, and actively opposing things on other occasions. I did not support the Government on the Brady amendment, but nor did I oppose it, because I believed it was important that the Government had the space to conduct negotiations to get a deal through. The wording of that amendment quite clearly said that the backstop should be “replaced”, so can the Solicitor General tell me, without equivocation, that when he brings that deal back, the backstop will have been replaced?

**The Solicitor General:** I note with care the hon. Gentleman's position and I have observed what he is doing to represent his constituents. It would be somewhat pre-emptory for me to anticipate what might come back from the negotiation. I assure him that we are trying to get on with it at some speed, so that his position can be as clear as possible, and so that he can, with the rest of this House, make that all-important decision on his constituents' behalf.

**Kevin Foster** (Torbay) (Con): The Solicitor General will recall, as I do, that the House expressed a clear view on 29 January, and I am pleased to note that the Government are now negotiating to try to implement that and bring something back. Can he confirm, however, that it is right not to give a running commentary on this, and that anyway the House will have an opportunity next week to debate and vote on this matter again?

**The Solicitor General:** I am grateful to my hon. Friend; he is of course correct on all counts.

**Nick Smith** (Blaenau Gwent) (Lab): This morning, the Health Secretary said that the NHS is spending £11 million preparing for no deal. In January, this House voted for the Spelman-Dromey amendment to take no deal off the table, so can the Solicitor General explain why the Government are ignoring the will of the Commons by trying to keep no deal on the table, and spending that £11 million unnecessarily?

**The Solicitor General:** I am grateful to the hon. Gentleman. The Spelman-Dromey amendment actually committed us to a course of action whereby this House would not leave without a withdrawal agreement and future relationship. Those are not quite the same things as the assertions that he makes. He knows that I am as



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anxious as he is to achieve a deal. He represents a constituency that I know well, which has, shall we say, more than its fair share of challenges. I want to help him and his constituents. The way to do that is to end the uncertainty and support the deal.

**Mr Philip Hollobone** (Kettering) (Con): Is it the policy of Her Majesty's Government to replace the backstop with alternative arrangements?

**The Solicitor General:** My hon. Friend knows the Government's position. The Prime Minister set out a number of ways in which there could be a revision to the withdrawal agreement. Those matters are being actively pursued, and we will come back as soon as possible, and hopefully satisfy my hon. Friend that he will be able to do the right thing and support a withdrawal agreement that will facilitate the Brexit for which he has campaigned for so long.

**Mr Simon Clarke** (Middlesbrough South and East Cleveland) (Con): On 29 January, I voted for the Brady amendment to replace the backstop with alternative arrangements. I praise my hon. and learned Friend for his personal role in helping to develop the Malthouse compromise. With regard to the second meaningful vote, whenever it comes, may I urge him to emphasise to colleagues across the Government that the definition of insanity is to repeat the same experiment and expect a different result?

**The Solicitor General:** My hon. Friend puts it in a very attractive way; I commend him for that. He, like me, is a realist, and he knows that he, representing his constituents as ably as he does, will want to resolve the uncertainty. I know that he is very keen to do that, and I applaud him for the constructive approach that he is taking. I very much commend that to him in the days ahead.

**Nigel Huddleston** (Mid Worcestershire) (Con): Although I recognise the challenging position of many Opposition MPs, does the Solicitor General share my amazement at those Opposition MPs who say they cannot support the withdrawal agreement because it may include a temporary backstop, keeping us temporarily in the customs union but not paying into the coffers and without freedom of movement, and simultaneously advocate a permanent customs union that would stop us from doing international trade deals?

**Mr Speaker:** The one disadvantage of that inquiry, as the Clerk, having consulted his scholarly cranium, has just pointed out to me, is that it was not about Government policy, and therefore it does not warrant an answer. The hon. Gentleman has made his point in his own way, but he was asking about Opposition policy, which he knows he should not do.

**Kevin Hollinrake** (Thirsk and Malton) (Con): Rather than having to agree with the European Union whether we have met our obligations to avoid a hard border in Northern Ireland, would it not be fair and reasonable to both sides to refer the matter to a process of arbitration?

**The Solicitor General:** Well, well. My hon. Friend tempts me down an interesting path. He knows that of course the arbitration process is contained within the provisions of the agreement itself. I think that we appreciate that time is of the essence, and that we have to operate within that constraint, which is why we are very keen to come back to this House as quickly as possible.

**Jeremy Lefroy** (Stafford) (Con): Last week, I listened with great attention and respect to the former Taoiseach of Ireland, Bertie Ahern, as he gave evidence to the Select Committee on Exiting the European Union. He made the point that leaving with no deal would be extremely damaging to people on both sides of the border, both Republic of Ireland businesses and Northern Ireland businesses—particularly indigenous businesses, not so much international businesses. Does my hon. and learned Friend agree that for that reason it is incredibly important that this matter is resolved, and that the withdrawal agreement is passed with support right across this House?

**The Solicitor General:** My hon. Friend has long been a keen student of these issues. He is absolutely right to warn us about the dangers of a no deal, which is why he, I and very many others have supported a deal. It is now time for all of us to do just that and end the uncertainty.

**Paul Masterton** (East Renfrewshire) (Con): Is it not the case that the time for running around Europe with ambitious schemes that will not be accepted is over, that that simply increases the chances of a no-deal exit and that the requests for any changes need to be detailed and precise? So can my hon. and learned Friend confirm that the Government will be going in with a targeted micro-surgery approach, not trying to blast the withdrawal agreement with a scattergun?

**The Solicitor General:** I can assure my hon. Friend, who speaks with conviction and passion and serves his constituents admirably, that the Government will be taking a forensic approach. This is a detailed negotiation. The time for platitudes is long gone. We will be adopting his approach in the days ahead.

**Mr Kenneth Clarke:** On a point of order, Mr Speaker.

**Mr Speaker:** If it arises from the urgent question, and in deference to the Father of the House, let us hear it.

**Mr Clarke:** It is a genuine point of order. In the course of the exchanges, two Members of Parliament on the Government side of the House made reference to a civil servant, Sir Oliver Robbins, who they obviously regard as some sort of political enemy, although he is a non-political civil servant. They not only repeated newspaper rumours about what he was supposed to have been overheard saying, but they did so in terms that suggested he had been drinking too much when he was overheard, of which, as far as I am aware, there has never been the slightest indication, even in any of the newspaper reports on which they were relying.

Mr Speaker, people like that have no opportunity whatever of even knowing that these allegations are about to be made, or replying to them. An increasingly unpleasant personal tone is creeping into debate about Europe, mainly from the right-wing members of my



party, and it will get quite out of hand if you do not issue a word of reproof and say that that is an abuse of the privileges of the House of Commons, and is not conduct that should be repeated.

**Mr Speaker:** I am grateful to the Father of the House. I have had a discussion about the matter with the Clerk. I will not argue the toss about wording—it is not, strictly speaking, an abuse of the procedures of the House and it is not disorderly; but I think it is extremely undesirable, and it does represent a rank discourtesy, and indeed, as the right hon. and learned Gentleman implied, a coarsening or vulgarisation of the terms of trade in political debate, which we should all strive to avoid. Let me say to the Father of the House that I did not react as quickly as I should have done to the right hon. Member for Rayleigh and Wickford (Mr Francois) when he said what he did. He was absolutely entitled to his point of view, and even to robust questioning of Ministers, of course, but he should not have said what he did about a serving civil servant.

Perhaps I can gently suggest, at the risk of embarrassing the Father of the House, that Members across the House, whatever their political views, would do well to seek to emulate his example. I have known him for 24 years, and throughout the time I have known him, I have always observed one thing: he plays the ball; he does not play the man or the woman. He sticks to the issues—rather as the Chair of the Brexit Select Committee does, on the other side of the House. That is the model that other colleagues should follow. So I thank the right hon. and learned Gentleman for stepping in; the point he has made is valid.

## Honda in Swindon

1.19 pm

**The Secretary of State for Business, Energy and Industrial Strategy (Greg Clark):** With permission, Mr Speaker, I would like to make a statement on Honda. This morning, Honda announced that future models of its Civic car, which are currently made in Swindon, will after 2021 be made in Japan. The Civic is the only vehicle made by Honda in Swindon, so the result of the decision is that the company's manufacturing plant will close in 2021.

I am not going to understate what a bitter blow this is to the 3,500 skilled and dedicated workers at Honda in Swindon and their families, to the many more people and businesses who supply the plant, and to the town of Swindon, which has been proud to be home for 34 years to one of the best car factories in the world. It is a blow to the whole British economy.

The reason that Honda has given is its decision to accelerate the move to electric propulsion and to consolidate investment in its facilities in Japan. Following the entry into force of the EU-Japan free trade agreement earlier this month, tariffs for cars exported from Japan to the EU will drop from the current 10% to zero by 1 January 2026. Honda will then export from Japan, rather than from Britain, to Europe and the rest of the world. The company has stated that Bracknell will be retained as its European headquarters, that it will continue to base its Formula 1 operation from Britain, and that its research and development centre for electrification and connected and autonomous technologies will continue at Swindon.

Honda has announced an immediate consultation on the plan with the trade unions and suppliers. I have spoken with the trade unions, the local Members of Parliament, the leader of Swindon Borough Council and the chair of the local enterprise partnership. I will shortly chair, in Swindon, the first meeting of a taskforce, comprising those people and others, to do everything we can to ensure that the much valued Honda workforce in Swindon find new opportunities that make use of their skills and experience. We will work with the local community to ensure that Swindon's justified reputation as a place of industrial excellence in manufacturing, technology and services is maintained and expanded.

In our automotive sector, we will work in close partnership with an industry that is going through a period of technological change and adjustment across the world that is greater than at any time in its history—a period of change that is disruptive and even painful for many, but in which Britain's industry can emerge as a global leader if we back innovation in new sources of power and navigation. That is one of the four grand challenges of our industrial strategy, and the focus of our automotive sector deal.

I and many other colleagues in the House, of all parties, have worked hard over the past three years to make the case for investing in Britain, to investors in this country and around the world, despite the uncertainty that Brexit has put into the assessments of investors in Japan and around the world. We have secured investments during this time, from Nissan, Toyota, Geely, BMW, PSA, Aston Martin, Williams and many smaller firms. We have an international reputation for being a place to do business, with skilled, motivated staff, with access to innovation, especially in automotive, which is the best on the planet, and with a determination to make those strengths even greater in the years ahead.

[Greg Clark]

This is a devastating decision that has been made today, and one that requires us to do whatever it takes to ensure that in the years to come Honda will once again, building on its continued presence here, recognise Britain as the best place in the world to build some of the best vehicles in the world.

1.23 pm

**Rebecca Long Bailey** (Salford and Eccles) (Lab): I thank the Minister for advance sight of his statement. This morning's news is absolutely devastating for the 3,500 workers in Swindon, their families and the wider community. It is absolutely devastating for the businesses in Honda's supply chain and the tens of thousands of workers employed in them. It is a devastating blow to the automotive sector, to UK manufacturing in general and, indeed, to our entire economy.

A worker employed at Honda in Swindon for 24 years summarised the situation last night when he said that the Government are "completely incompetent". I could not agree more. Honda's decision is a damning indictment of the Government's failure to support car manufacturing and ensure business confidence, with regard both to Brexit and to their so-called industrial strategy. Before Members on the Government Benches become too agitated, let me say that I understand that Honda's CEO said this morning that the decision was unrelated to Brexit. However, the company's statement specifically says that it wants to

"focus activity in regions where it expects to have high production volumes",

especially of electric vehicles. The logical question is this: why does Honda no longer believe that the UK will have high production volumes, and why does it no longer have the confidence to invest here to make it so? As the Secretary of State has said, it will in future be exporting to the EU from Japan rather than from Britain.

The reason why the likes of Honda and Nissan began producing in the UK in the first place was that it was a good place to locate their manufacturing, so something must have changed. Could it be the Government's botched Brexit causing chaos and uncertainty and undermining business confidence? The Secretary of State also alluded to the EU-Japan trade deal, which imposes zero tariffs at a time when we do not know what our tariffs will be. The likes of Airbus, Nissan, Ford and Jaguar Land Rover have all halted investment or slashed jobs as a direct result of that uncertainty. Nissan reversed its decision to build the X-Trail here only two weeks ago, JLR has slashed 4,500 jobs, and Ford has cut 1,000 jobs. Over the weekend, the senior vice president of Airbus said that a no-deal Brexit would be "catastrophic", adding:

"We will have to look at future investments... There're many other countries that dearly love aerospace."

In fact, Honda itself warned last year that leaving the EU without a deal would cost the company tens of millions, so there can be no doubt that the Government's reckless threats of no deal and prolonged uncertainty are having an impact on business decisions in the here and now, even if that is not in the top line of a press

release. No deal must therefore be taken off the table and a firm commitment to a customs union and single market deal agreed.

Honda has also said that global trends and the move to electric vehicles were a factor in its decision. Could it be that the Government's failure to support the transition to electric vehicles through their industrial strategy has augmented Honda's decision? It wants to expand its electric vehicle production, which is something we all want, but we need that production to be here in the UK now, not used as a reason to close down plants in the wake of Brexit.

The UK has a world-class automotive sector and could be a world leader in electric vehicles, at the cutting edge of electric vehicle technology and research, but the Government have failed to invest to support the transition. I will give just one example. The Treasury pledged last year to support the switch to zero-emission vehicles with a £400 million fund for charging infrastructure, giving manufacturers the certainty to invest in production. Half of the money was to come from the taxpayer, with the rest matched by the private sector. However, one year on, the money that it was promised would be raised from the private sector has not been secured and no money from the fund has been invested.

The automotive sector is the jewel in our manufacturing crown. It supports highly paid, highly skilled jobs, it contributes enormously to our economy, and it has been an exemplar of the kind of industry that we need in the UK. But its future is in jeopardy, as has been shown so clearly in the decisions of recent weeks. Can the Secretary of State commit now to taking a no-deal Brexit off the table, agreeing a customs union deal and working with manufacturers and unions to support the transition in the market before it is too late? Can he offer Honda any incentives or reassurances that its investment here would be secure? After all, he did offer Nissan a sweetheart deal. Or is he happy to let yet another industry, and the communities who rely on it, fall by the wayside on the Conservatives' watch?

**Greg Clark:** For over 30 years, Japanese companies investing in our automotive sector have been able to count on a bipartisan commitment to talking about the advantages of investing in Britain: our skills, our commitment to innovation and the efficiency of our operations. Members on both sides of the House know that I and my colleagues have worked intensively, including with trade unions, to ensure that we get investments that recognise those advantages. I hope that we can send to companies considering investment a clear determination, across both sides of the House, that we will continue to keep faith with that tradition of stability.

I think it was evident in my remarks that I share the dismay of the hon. Member for Salford and Eccles (Rebecca Long Bailey) at the decision and the consequences for the excellent workforce in Swindon and their suppliers. We will do everything we can to ensure that they have good opportunities in future.

The hon. Lady asked about Brexit. The company said that the decision was not about Brexit and clearly we must accept that. She asked about its market share. In truth, it has a small market share in Europe compared with the markets in which it said it was expanding. Those are the reasons that it has given. However, I have always been clear with the House that the motor industry,

Japanese investors and particularly Honda have made it clear for many months that Brexit is an additional worry at a difficult time. They have been instrumental in shaping the deal that has been negotiated. If there is one message all of us in the House can give that they want to hear it is that the deal should be ratified.

Ford Motor Company said:

“A no-deal Brexit would be a catastrophe...It's important that we get the agreement ratified that's on the table at the moment.”

Aston Martin said of the deal,

“it's obvious that... it meets the needs of all the requests we put forward as an industry and as Aston Martin”.

McLaren said that the withdrawal agreement would

“provide urgently-needed certainty and an implementation period that allows us to plan for the future”.

Toyota said:

“We welcome the announcement of a deal. It would provide business with the certainty”

that it needs. I could go on. The clear message from the automotive companies is that we should get on and ratify the deal.

The hon. Lady asked about the industrial strategy. She will know that our commitment to it, and through it to the future of mobility, has been at the heart of our policy and has been widely recognised. The £250 million investment in the Faraday challenge to make Britain the best place in the world for new battery technology has resulted in the national battery manufacturing centre being established in the west midlands. We already have the biggest-selling electric vehicle in Europe—indeed, one in five electric vehicles in Europe is made in Britain. The fact that Honda's R&D facility will continue to be in the UK and that companies such as Ford are moving their R&D to the UK underlines the strategy. The London Electric Vehicle Company is making taxis powered by electricity, not just for London but for export around the world. Aston Martin has invested £50 million in its new electric engine facility in Wales. Cummings is investing £210 million in its R&D in the automotive sector.

The hon. Lady asked about the charging network: £200 million is being invested in new, fast-charging networks for electric vehicles. Our reputation for automotive innovation and exports is strong and growing. That is one of the reasons why it is particularly frustrating that Honda has made this decision, when other companies are recognising the fruits of those investments and investing in Britain.

The announcement comes at a time of disruption and change in the industry. Veterans of the industry say that this is the biggest period of change in most of their careers. That reinforces how right we are to invest in the future and in promoting Britain as a place to develop the next generation of vehicles. I hope that in the weeks, months and years ahead, the whole House will support us in promoting those advantages, not just for Honda, but for other companies that can invest in this country.

**Mr Kenneth Clarke** (Rushcliffe) (Con): I accept, as the Secretary of State does, Honda's statement that Brexit played no significant role in the decision. We must avoid a childish debate every time there is an industrial announcement, whereby one side or the other leaps on how far Brexit has been involved in complex decisions. However, the fact remains that when I served at the Department of Trade and Industry under Margaret Thatcher, and at the Treasury under John Major, I was

involved in pursuing the policy of those Governments to draw foreign investment to this country to revive our manufacturing base by presenting Britain as the most attractive and business-friendly country in the European Union, through which companies could gain access to the single market. The Blair Government pursued that policy with equal vigour. As my right hon. Friend has just said, it is no good people ignoring the warnings of every leader of the car industry, most of our foreign investors and all our business leaders that we must seek to retain that reputation. Will he therefore confirm that, in line with the withdrawal agreement, we are pursuing a customs arrangement and a regulatory alignment that will not put new barriers in the way of trade with our biggest, most important market? If we fail to do that, there will be a succession of announcements of this kind, and Britain will cease to be of any particular attraction to international investors seeking a European market.

**Greg Clark:** I acknowledge my right hon. and learned Friend's contribution as part of a succession of Ministers on both sides of the House who have given confidence to investors from Japan and around the world. A particular admiration has been accorded to Britain for the stability and predictability of our arrangements. In a turbulent world, the sense of continuity that we have been able to offer, especially to investors who invest for the long term—and any automotive investment is for the long term—is important. It is essential that we recover that.

It is also important that we listen to and respect the evidence of people who employ hundreds of thousands of our constituents. We have consistently done that. In my response to the hon. Member for Salford and Eccles, I set out the almost unanimous view of investors that the deal that has been negotiated meets their needs. That is not a surprise because they have been consulted during the negotiations. However, this is a moment when the House needs to reach a resolution. The Japanese ambassador is very active on these matters. He summarised his views in a letter to the UK and the EU:

“What Japanese businesses in Europe most wish to avoid is the situation in which they are unable to discern clearly the way the Brexit negotiations are going, only grasping the whole picture at the last minute.”

We should heed that advice. We have the opportunity to bring negotiations to an orderly conclusion. I hope that, for the sake of jobs in constituencies throughout the country, we will do that.

**Chris Stephens** (Glasgow South West) (SNP): Our thoughts on these Benches are with the people of Swindon, those whose jobs are at risk and those in the supply chain who face further uncertainty. Unite the union made the point:

“The usual formula is one job in the plant equates to four in the supply chain and the local economy. If closure is confirmed, it will rip the heart out of this area.”

I welcome the taskforce that the Secretary of State has set up. Will he assure the House that he will regularly communicate its outcomes to hon. Members?

We have known for some time that the EU was making tariff-free trade for Japanese car makers possible and shipping from Japan viable. Does the Secretary of State therefore agree that it is important that the Government now communicate a similar zero-tariff ambition for UK-EU car exports?



[Chris Stephens]

Some of us are very concerned that no deal will do irreparable damage to the manufacturing sector throughout the UK. What is the Department doing to protect the UK's manufacturing sector?

**Greg Clark:** I am grateful to the hon. Gentleman for his remarks and the tone in which he expressed them. I will certainly keep the House informed about the taskforce's progress. We should bear in mind that there are two years in which the workforce will continue to be employed. It is important that the sales in Swindon should continue so that their jobs can be secure. During that time, I want to find out whether in the first instance Honda, recognising its continued commitment to research and development, will see that it has an ideal facility in Swindon in which to build the next generation of vehicles,

The fact that there is a modern plant and a workforce in Swindon who have an international reputation for being excellent and innovative is a message that we should send out loudly and clearly. At a time when there are skill shortages across manufacturing industry, there is absolutely no reason why the opportunities made available to the workforce should not give them equally promising and rewarding careers in advanced manufacturing, such as they have enjoyed in Swindon. I will certainly update the House on the progress on that.

The hon. Gentleman asked about the trade agreement with Japan. My view is that the best outcome—indeed, the essential outcome—is that we should roll over, and continue to be able to benefit from, the trade arrangement that has been negotiated between the EU and Japan, unless and until we negotiate an alternative that is at least as good.

**Sir Michael Fallon** (Sevenoaks) (Con): Is not one of the lessons from this about the power and scope of the EU-Japan trade agreement, in contrast to the continuing uncertainty for our businesses here and for overseas investors—two and a half years after the referendum—about what the future terms of our trading relationship with Europe are actually going to be? Will the Secretary of State tell us why it is taking so long to put in place our trade agreements with countries such as Japan, Canada and Australia?

**Greg Clark:** I agree with my right hon. Friend. Although Brexit uncertainty was not cited as one of the factors in the decision, it is evident in investment decisions in the whole industry. I know from regular conversations with investors that it does bear on their minds. Last time I was in the House, I mentioned that Nissan has said that the political uncertainty over a no-deal Brexit, or what kind of Brexit there will be, is “casting a shadow” over its future. When investors that have no political motivation to make such statements issue that advice and warning, we should attend to it. It seems to me that we have the information necessary to conclude these negotiations, and in my view we should do it during the days ahead.

**Hilary Benn** (Leeds Central) (Lab): This is the latest and the most serious in a series of announcements and warnings from the UK car industry about its future operations in this country. I know and the House knows that the Secretary of State fully understands what a

dangerous moment this is for the future of that industry. May I therefore simply wish him, and some of his colleagues whom I can see on the Government Benches today, well in persuading the Government to abandon the idea of a no-deal Brexit? He knows probably better than anyone else in this House what a disaster that would be for the future of British car manufacturing.

**Greg Clark:** As I said in my statement, this is a time of change and challenge, but also of opportunity for the automotive sector. I have been proud that in the two or two and a half years since the referendum, notwithstanding the concerns that have always been expressed to me—it is the first thing people have said when I have met boards—we have won every single competitive automotive decision that has taken place in Europe. It is frustrating that this and the X-Trail have gone to Japan, but I think all of us take pride in the fact that the efficiency and the potential of the British manufacturing sector have been recognised in that way. However, it is apparent, as my right hon. Friend the Member for Sevenoaks (Sir Michael Fallon) has said, that although a degree of uncertainty was expected after the referendum decision, this has now got to the point—as I am told time and again in boardrooms in this country and around the world—where the time taken is unconscionable and if we do not act, we will see decisions not simply deferred but moved elsewhere.

**James Gray** (North Wiltshire) (Con): I am confident that I speak on behalf of my hon. Friend the Member for North Swindon (Justin Tomlinson), my hon. and learned Friend the Member for South Swindon (Robert Buckland), my right hon. Friend the Member for Devizes (Claire Perry) and my hon. Friends the Members for Chippenham (Michelle Donelan) and for Salisbury (John Glen). The constituents of all of them may be affected by this matter, but they are all unable to take part in this statement because of their roles as Ministers.

Across Wiltshire, we are deeply concerned about the 3,500 job losses and potentially more in the supply chain. May I therefore volunteer to take part in the excellent taskforce that my right hon. Friend the Secretary of State has announced? I think that is a very useful step forward. Will he join me in rejoicing at the fact that the economy of Wiltshire is actually extremely strong at the moment? The unemployment figures announced this morning are the lowest there have ever been, and we have had huge growth particularly in electric car manufacturing and our high-tech industries across the M4 corridor. I hope he will join me in thinking that we will therefore be able to find useful employment for all these people in good time before the plant closes.

**Greg Clark:** Like my hon. Friend, I pay tribute to our colleagues, my hon. Friend the Member for North Swindon, my hon. and learned Friend the Member for South Swindon and my right hon. Friend the Member for Devizes, whose commitment to the success of the economy in Wiltshire is unflagging.

My hon. Friend the Member for North Wiltshire (James Gray) is absolutely right to refer to the fact that the success of Swindon and the whole of Wiltshire has been notable. In fact, one of the problems that Honda has occasionally discussed with me in the past is its struggle to recruit the volume of labour that has been

required. It is a matter of sadness that that will not be a problem for the future, given this decision. He is right to emphasise that the demand for the kind of skilled labour that exists in that county is very strong. Through the taskforce, we will do everything we can to make sure that employers are matched with people with skills.

**Richard Burden** (Birmingham, Northfield) (Lab): Brexit may not have been the direct cause of Honda's announcement, but, to echo the wise words of the right hon. and learned Member for Rushcliffe (Mr Clarke), does the Business Secretary agree with me that it is an absolutely key part of the context in which Honda and other major car manufacturers are making decisions on where to invest in the generations of vehicles that will transform this industry? The harsh reality is that Britain's reputation as a stable place to do business and as the gateway to Europe is being undermined before our eyes.

The Business Secretary mentioned the EU-Japan trade agreement. Will it not be a ludicrous situation if we end up leaving the EU without a deal at the end of March, or if we end up on World Trade Organisation terms after a transition in 2020, and tariffs are put on cars exported from Honda in Swindon to the EU that do not apply to cars exported from Japan to the EU? Does that not indicate that, whatever else happens in the coming weeks, the option of a no-deal Brexit has to be ruled out once and for all?

**Greg Clark:** I agree with the hon. Gentleman when he describes the reality of how the automotive industry successfully trades in this country. It is based on a just-in-time system of production, which has been very well calibrated over the years to make us very efficient. That has been communicated not just to me but to Select Committees of this House. It is clear, and it has been much debated, as the hon. Gentleman will know from his constituency experience. That is what we must agree, and it is what has been agreed—the ability to continue to trade without tariffs, without rules of origin checks, without quotas and with a minimum of frictions—which is why the companies have endorsed the deal. I agree with him that to leave on WTO terms would be a hammer blow to a foundational industry in this country. However, he has it in his gift, as do all Members, to avoid that by coming together in the days ahead to agree a deal.

**Suella Braverman** (Fareham) (Con): While this is awful news for the employees at Honda and for the communities affected—I have no doubt that the Secretary of State and his team will be doing all they can to support Honda and those affected during this time—does my right hon. Friend agree or disagree, for the sake of those who are failing to understand, with the senior vice-president of Honda, Ian Howells, who has confirmed that this decision has nothing to do with Brexit, is not driven by Brexit and is not because of Brexit?

**Greg Clark:** Of course I completely respect—everyone has to respect—the reasons that have been given for the decision, but I am pretty familiar with this industry and others, and there are a number of factors. I report to my hon. Friend truthfully that on the minds of many investors around the world is an anxiety caused by a lack of knowledge as to what our trading relationships will be with our most important neighbours in just over

a month's time. That is something that we should resolve; if we do, I think we can look forward to a resumption of significant investment and to statements that are happier than the ones I am able to give today.

**Mr Alistair Carmichael** (Orkney and Shetland) (LD): I thank the Secretary of State for advance sight of his statement. I wish him, and all those with whom he will be working, well as they try to turn this unhappy set of circumstances around. Let us not forget that 3,500 households are facing a pretty bleak future at the moment.

The point the House needs to address today is that this is not a one-off incident—it comes on the back of similar announcements from Nissan and Jaguar Land Rover. It raises serious questions about the future viability of our automotive sector as a whole. This is precisely the sort of thing the Secretary of State's industrial strategy was designed to address. Why is it that, at the moment, it does not seem to be working?

**Greg Clark:** The decision we took to position this country at the leading edge of the new automotive technologies—battery technology and connected and autonomous vehicles—is evidently the right one, because the pace of change, as has been made clear by Honda today, is faster than even it expected just two or three years ago. If we sustain our commitment through the industrial strategy to make sure that we are the place in the world associated with the leading edge of battery technology and its manufacture—the Faraday challenge and the Faraday Institute are prime examples of that—there is a very prosperous future for that industry. However, it also occurs to me that, in a world in which there is such turbulence and so many changes, we should do everything we can to neutralise other sources of uncertainty. So we need to do both.

**Mr David Jones** (Clwyd West) (Con): My right hon. Friend will know that, sadly, Honda today also announced the closure of its plant in Turkey. Given that Turkey is, and will remain, part of the customs union, does he not agree that we should be careful about accepting the advice of those such as the hon. Member for Salford and Eccles (Rebecca Long Bailey) that we, too, should join the customs union, as that would clearly have made no difference to Honda's decision?

**Greg Clark:** My right hon. Friend is correct in pointing that out. As I said in my statement, the company has decided to consolidate its production, in this instance, in Japan, and the consequences for Turkey and the Swindon plant are the same. That also draws attention to the fact that free trade agreements, important though they are, do bring about changes themselves and are associated with decisions that sometimes can be difficult.

**Mr Ben Bradshaw** (Exeter) (Lab): This is a devastating blow for the south-west, Swindon and the wider UK manufacturing base. Does the Secretary of State not accept that it is a fact that our not being in the new Japan-EU free trade agreement, and therefore not being able to guarantee future tariff-free trade between our country and Japan, puts us at a disadvantage when people are making these sorts of decisions? I was encouraged by the replies he gave to my right hon. Friend the Member for Leeds Central (Hilary Benn), who chairs the Brexit Committee, but when will he and

[Mr Ben Bradshaw]

other of the more sensible Ministers in the Government, many of whom are flanking him today, act to stop the Prime Minister pursuing this reckless, crash-out no-deal Brexit strategy?

**Greg Clark:** It is evidently the case that we should be part of a free trade agreement with Japan, and we should avail ourselves of the one that has been negotiated with the EU, unless and until it is replaced by a better one. Notwithstanding the disruption that free trade can sometimes cause, I am strongly of the view that, as a nation, we prosper from being a nation of free trade, and I think the right hon. Gentleman agrees. I think it has been evident in my replies to hon. Members on both sides of the House that I regard it as an urgent requirement to conclude our discussions. That will require compromise on both sides of the House, but that is something that this House has achieved over the years; indeed, the rest of the world has admired this House of Commons for coming to pragmatic decisions that are in the interests of the long-term reputation of this country.

**Sir Patrick McLoughlin** (Derbyshire Dales) (Con): The Society of Motor Manufacturers and Traders has said that the industry is on red alert. Will the Secretary of State ensure that his Department is in full dialogue with the SMMT on the issues that it needs to address to reassure the rest of the automotive industry? Although these 3,500 jobs are incredibly important and skilled, there is also a very big supply chain, which involves many other companies, other than just directly Honda. Will my right hon. Friend, in making up his taskforce, ensure that my right hon. Friend the Member for Devizes (Claire Perry), my hon. Friend the Member for North Swindon (Justin Tomlinson), my hon. and learned Friend the Member for South Swindon (Robert Buckland) and my hon. Friend the Member for Chippenham (Michelle Donelan) are very much involved?

**Greg Clark:** I will indeed, and I am grateful to my right hon. Friend. I and my colleagues are in frequent dialogue with the SMMT and all the companies that are part of the industry. It seems to me—he knows this from his time in the Department—that having a close understanding of the requirements of job creators is an essential feature of a successful industrial strategy. We know from them what is required: a commitment both to invest in the next generation of vehicles to make sure that the skills of the workforce continue to be invested in and to work with businesses to ensure that their environmental performance meets increasing international requirements.

**Alison Thewliss** (Glasgow Central) (SNP): What assessment has the Secretary of State made of the extent of the supply chain? Is he aware of all the companies that supply Honda? What specific support will he put into each of those companies to make sure that people in those industries do not also lose their jobs as a result of this decision? What further support can be put into the local economy, which may also suffer, although that may not necessarily involve supply chain companies?

**Greg Clark:** The hon. Lady makes an important point. It is, of course, the direct employees of the company who are affected, but also the employees of companies that supply it. I have that very much in mind. In the work of the taskforce, I will strongly recommend that they are—there is no doubt they will be—prominent in its concerns. Through the Automotive Council, which I chair, we work with the supply chain right across the automotive sector, and that will be a prominent part of our discussions, plans and decisions over the weeks ahead.

**Dr Andrew Murrison** (South West Wiltshire) (Con): May I say that the loss of Honda in Swindon will be keenly felt throughout the whole of Wiltshire? May I also urge the Secretary of State to be very careful about imputing motives to companies that might be relocating from the UK or to the UK? Honda is entitled to be taken at its word, and it has said unequivocally that this decision has nothing to do with Brexit.

**Greg Clark:** I do take it at its word; it is only fair to do so. However, as it departs, I reflect on the words it has given to me and to Committees of this House based on its experience of the requirement to avoid changes in our trading relationship with Europe that would introduce frictions. It has said those words on the record, and they are as valid today as at the time when it said them during the weeks and months past.

**Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): The news confirmed today from Honda will be hugely concerning for the thousands of employees in the automotive industry, as well as its supply chain, across the UK, including those at Nissan in my constituency. The Business Secretary is well aware that the UK automotive industry is facing a number of urgent challenges, including ongoing uncertainty around Brexit and the threat of no deal. There are just 38 days until we leave the EU. When will we have clarity on what the deal will be the day after?

**Greg Clark:** I agree with the hon. Lady that the environment in which investment decisions take place affect all businesses, not just those in the automotive sector. That is why I have taken pains to remind the House of what the leaders of the industry say, which is that we should conclude these matters on the lines of the deal that has been negotiated. It is in her hands to contribute to that resolution.

**Vicky Ford** (Chelmsford) (Con): It is worth noting that the largest European market for electric vehicles is the Norwegian market, which is outside the customs union but has specific relationships for no rules of origin, tariffs or quotas. The second largest market is of course our own. Will my right hon. Friend confirm that the withdrawal agreement and future partnership would allow British manufacturers to have that same specific relationship with no rules of origin, quotas or tariffs?

**Greg Clark:** It will. This is one of the big advantages of the agreement. The industry and individual firms have been very clear that this is one of the reasons why they have endorsed it.

**Jack Dromey** (Birmingham, Erdington) (Lab): Today is a human tragedy for 3,500 workers in that great Swindon factory, yet there are those, such as Patrick Minford, who would say that the car industry should



follow the coal mines down the path to industrial oblivion; and there are those in this House, such as the hon. Member for North East Somerset (Mr Rees-Mogg), who when confronted by the automotive industry's concerns about, for example, frictionless trade and the impact of Brexit, say, "Fake news." Does the Secretary of State agree with me that our 850,000-strong automotive industry is a world-class success story, and that nothing should be done that puts it at risk by those who would be oblivious to the consequences of their actions and take this country crashing out of the European Union on 29 March without a deal?

**Greg Clark:** I am very proud of our automotive industry. It has all the attributes the hon. Gentleman ascribes to it. I am proud of the workforce. I am proud of the workforce in Swindon in particular. This is no reflection on their calibre, their commitment and their ingenuity. Far from the automotive industry being an industry that we can or should do without, it is one of the prime opportunities we have. If we have some of the best brains on the planet looking at connected and autonomous vehicles, and inventing the next generation of batteries, why on earth should we not make the products of that ingenuity in this country? I am determined that we should do so.

**David T. C. Davies** (Monmouth) (Con): Given that we have decided to ban all their vehicles from our roads by 2040 and that many Members on both sides of the House have called for that ban to be brought forward, what does my right hon. Friend think is more surprising: that some of these companies are thinking of relocating elsewhere or that so many MPs in this House seem to want to put the blame on Brexit?

**Greg Clark:** What I would say to my hon. Friend is that we are talking about Honda's plant in Swindon and that most of its output is not diesel but petrol vehicles, which go all around the world. Automotive companies are increasingly reflecting the much more rapid global shift to new powertrains than was expected a while ago. I think advantage comes from being in the vanguard of that change, rather than being a laggard. That is why we, in the industrial strategy, are determined to make sure that we are at that leading edge and can be an example to the rest of the world.

**Helen Goodman** (Bishop Auckland) (Lab): This morning a person who owns a firm in the supply chain wrote to me. He expressed his extreme dismay about the lack of a UK-Japan trade deal and he suggested that Business, Energy and Industrial Strategy Ministers talk to the 56 Japan-based firms in the north-east. He also sought a more active industrial strategy. I know about the Secretary of State's Faraday initiative, but were we to have some really big infrastructure investment for electric vehicles, we might grow the domestic market, which would enable us to sell more here and leverage more exports on that basis.

**Greg Clark:** As my hon. Friend the Member for Chelmsford (Vicky Ford) said earlier, we are the second country in the EU in terms of take-up of electric vehicles. I do not think the hon. Lady will find anyone in the industry who doubts the commitment my colleagues and I make to our industrial strategy and advancing

that leadership. That is noted not just in this country, but around the world. As I said earlier, it is frustrating that the timing of this decision by Honda does not allow it to avail itself of some of the fruits of that strategy.

**John Stevenson** (Carlisle) (Con): Manufacturing represents about 20% of the Carlisle economy, which is twice the national figure, and many of those businesses export to Europe and to the rest of the world. Probably most important of all, they provide jobs, security and livelihoods for thousands of people who live in my constituency. Does the Secretary of State agree that we must do nothing that endangers that success? Does he further agree that he must ensure we continue to have access to our biggest export market, as well as a domestic environment that is stable and certain?

**Greg Clark:** I agree with every part of what my hon. Friend says. At a time of change and challenge for the industry, this is just the time to provide the certainty, commitment and enthusiasm about the future that will retain and attract investment from this country and around the world.

**Jonathan Edwards** (Carmarthen East and Dinefwr) (PC): Those arguing that this announcement is in no way Brexit-related are insulting the intelligence of the workers in Swindon and those in the manufacturing companies along the supply chain. Two of those companies are based in my constituency and they employ hundreds of workers. What discussions will the British Government be having with the Welsh Government to co-ordinate a response to today's announcement?

**Greg Clark:** I am grateful to the hon. Gentleman for his question. It is important to point to and acknowledge the reasons for the decision that have been given by the company. I have been clear that publicly the automotive sector has strongly advocated the need for supply chains to continue to be effective and uninterrupted. I work very closely with Ken Skates, my counterpart in the Welsh Government. We will make sure that we work together to ensure that the supply chain in Wales is part of initiatives we take.

**James Cartlidge** (South Suffolk) (Con): I have a sense of déjà vu, because few days after the meaningful vote was lost, Philips announced the closure of the Philips Avant plant—the largest plant in my constituency. It said explicitly that it was not due to Brexit that production was being moved to the Netherlands. The key point is surely this: we know it is bad news, whatever the cause; we now have to get new inward investment and make ourselves competitive and attractive. Will we do that better if we trade on WTO terms, or if we have a deal with the EU, with tariff-free access to our largest market?

**Greg Clark:** My hon. Friend puts it extremely well. In a world of competitive investment, we need to deploy all the assets and strengths at our disposal. Internationally mobile investments are competed for by many other countries, so we have to get everything right. It seems to me that to have trading relationships that are the bare minimum of international arrangements is a handicap rather than an advantage.

**Steve McCabe** (Birmingham, Selly Oak) (Lab): An analysis of the last Labour Government's car scrappage scheme revealed that it generated almost 400,000 new sales over a 12-month period at a relatively modest cost. Given the twin challenges of poor air quality and a downturn in the automotive sector, why do the Government not consider a repeat of that strategy?

**Greg Clark:** The hon. Gentleman is very familiar with and experienced in this area, and I understand his point. I would say that the reasons behind this decision and some others have been not so much about demand—in this case—but about an acceleration of a change in technology and how investment can be consolidated, so I am not sure that his proposal is the answer to the reasons that Honda cited, but I take into account the representation he makes.

**James Heapey** (Wells) (Con): The car industry is having to reset quickly as consumers turn their back on diesel and, increasingly, internal combustion engine cars more generally. Does the Secretary of State share my view that as we compete for new electric vehicle production lines, one way of making the UK more attractive is to show strong domestic demand by accelerating our planned transition from ICE to electric vehicles?

**Greg Clark:** If a country wants to be renowned as a source of innovation and manufacturing, there is an expectation that people can look to the domestic market to see that the products are consumed there. That is important, but I am always careful to respect the fact that for some years to come conventional vehicles will be manufactured here and will be a perfectly reasonable choice for people to make. An orderly transition rather than an abrupt shift would be best for investment and confidence.

**Dr David Drew** (Stroud) (Lab/Co-op): Honda's employment base and supply chain go well beyond Swindon into the Stroud valleys, which remain a major manufacturing area. We have had a double blow with SKF's announcement that it intends to shut its factory in Stonehouse, and the loss of our last aerospace ball-bearing manufacturer will have a major impact on Rolls-Royce. Is it not about time that the Government looked at which bits of our manufacturing base we must retain in this country and talked to Members about how the Government can do that?

**Greg Clark:** The hon. Gentleman ought to come to talk to me about the automotive sector deal, which has brought investment into research and development from across the industry. He talks about aerospace; there is a sector deal with the aerospace sector that, again, is about positioning Britain at the leading edge of new aerospace technology. These commitments are being made by industry as well as by Government, and I would be very happy to see him to talk him through what we are doing with the industry.

**Richard Drax** (South Dorset) (Con): My sympathy extends to all those who are going to lose their jobs. I remind the Secretary of State that we are leaving the EU and that we must be able to strike our own trade deals around the world if we are to flourish as a

country, as I believe we would, so any deal that we sign with the EU that prevents us from doing that is not acceptable.

**Greg Clark:** My hon. Friend makes an important point. It has been a clear part of our mandate to negotiate in a way that allows us to strike free trade agreements. That is provided for in the agreement that is on the table, but I think the wrong thing to do in furtherance of that would be to lose our ability to trade without tariffs and frictions with, as we might say, our existing customers.

**Chris Elmore** (Ogmore) (Lab): The announcement from Honda today is devastating for the community of Swindon. Just up the road in Bridgend, which neighbours my constituency, Ford has announced voluntary redundancies. The Jaguar Land Rover contract is ending three months early and there is only one Dragon engine left, which will mean the employment of only 500 people beyond 2021. Going from 1,700 people down to 500 means far more redundancies in the long term. Ford has also supposedly warned the Prime Minister that a no-deal Brexit would be a catastrophe and that it would look to pull all its production out of the UK. First, what more can the Minister do to support the Bridgend workers, particularly at Bridgend Ford? Secondly, I wish him luck in trying to convince the Prime Minister to take no deal off the table, because that would be catastrophic for the car manufacturing industry in this country, including Bridgend Ford.

**Greg Clark:** The hon. Gentleman mentions Bridgend; I speak to Ford and its VP for Europe, Steve Armstrong, very regularly, and the hon. Gentleman is absolutely right that it is looking to us to resolve this matter. Steve Armstrong says that if we leave without a deal, it would be "pretty disastrous" and that it would "force us to think about what our future investment strategy for the UK would be".

However, he also says that the deal that has been negotiated would address these concerns, and I hope that given the hon. Gentleman's interest in the workers in Bridgend, he will come to resolve this matter by voting for the deal.

**Kevin Hollinrake** (Thirsk and Malton) (Con): This announcement is very sad news for the workers at Swindon and for the jobs and businesses in the supply chain, but does my right hon. Friend agree that this is much more to do with the EU-Japan trade deal than it is about Brexit? The reality is that free trade deals create winners and losers in the short term, but in the longer term, there are benefits for all from free trade.

**Greg Clark:** Again, I think it is for the company to account for the reasons for the decision, but my hon. Friend is absolutely right to point to the fact that this new free trade agreement adjusts the pattern of trade; that is evident. To me, this seems to underline the case for us to have a free trade agreement with Japan, and unless and until we do so, not to lose the ability to be part of the EU deal.

**Ian C. Lucas** (Wrexham) (Lab): The Secretary of State makes his case very well in response to this devastating news. My real condolences go to Swindon, which I

visited as the automotive Minister. However, has not the central problem been displayed in the Secretary of State's exchanges with some Government Members—namely, that the deal that the Prime Minister is putting forward is an interim deal that defers the big question of whether we have frictionless access or whether there is the freedom to make trade agreements? It is getting towards high noon. I have a lot of respect for the Secretary of State. The position is that there is a natural majority in this House to do the sensible thing. We need to have people like him being statesmanlike and taking the right decision on behalf of the country—that is, to reach a permanent deal on our arrangements with the EU are concerned and to sort this situation out. As a former Minister for the sector, for which I have a great deal of affection, I plead with him to do that.

**Greg Clark:** I am grateful to the hon. Gentleman for his kind words. He embodies the spirit of continuity in understanding and support for the sector, which I said at the beginning of my statement is very important for investors. On the future partnership agreement, in fairness, it was the EU that maintained that those discussions could take place only after we have left the EU. That is part of its negotiating mandate. That is why it has not been possible to agree the final state, but it is the case—I have worked hard to convey the requirements of manufacturing industry—that within those negotiations, the opportunity to have frictionless trading arrangements should be there and be noted, and it is one of the reasons why firms and sectors support the deal.

**Mr Marcus Jones (Nuneaton) (Con):** This is a very sad day for the people whose livelihoods depend on the Swindon plant. This is a global industry undergoing massive change, with the challenge of car sales volumes falling significantly in many markets. I heard what my right hon. Friend said about Brexit and moving forward. Will he say what more can be done to help British manufacturing companies and manufacturing companies from other countries that are based here to get through this transitional period and the current turbulence, so that these companies can emerge stronger and be world-leading in many of the new technologies?

**Greg Clark:** Companies' prime requirement is that the uncertainty be brought to an end. It is in the gift of the House to meet that requirement, and we cannot and should not leave it a moment longer. We will have the opportunity in the days ahead to conclude this matter. That is the best thing the House can do for manufacturing and other sectors of the economy.

**Mr Philip Hollobone (Kettering) (Con):** May I applaud the response of the two hon. Members for Swindon, my hon. and learned Friend the Member for South Swindon (Robert Buckland) and my hon. Friend the Member for North Swindon (Justin Tomlinson), and the Business Secretary for his swift plans to go to Swindon and establish the taskforce, but may I criticise him for not being clear enough that this is not a Brexit-related issue? Had we voted to stay in the EU in June 2016, chances are he would be here today at that Dispatch Box making a statement about the closure of the Honda plant. We know this because Honda is closing its car

factory in Turkey, which is a member of the customs union, and because Honda's chief European officer said on the radio today:

“This is not a Brexit-related issue for us”.

Will the Business Secretary make it absolutely clear that we will offer every support to the Honda workers but that this closure announcement has nothing to do with Brexit?

**Greg Clark:** I am grateful to my hon. Friend for giving me the chance to say on the record that we totally respect the reasons Honda has given. In fairness, he will agree that I have made it clear that the sector is undergoing a big change, not least in technology, but I have to report to him and the House the countless conversations I have with virtually every firm in the automotive sector, large and small, all saying that the uncertainty is a negative factor in their investment decision making and that they want our future relationship to be without frictions, tariffs and rules of origin checks. That is sufficiently consistent that it is fair that I bring it to the attention of the House in a statement about the automotive sector.

**Mark Pawsey (Rugby) (Con):** A year ago, the Business, Energy and Industrial Strategy Select Committee visited the Honda plant at Swindon. We saw Civics coming off the line, many of them destined for the European market, and the benefits of the substantial overseas investment in our automotive industry, some of which has benefited my constituency through the London Electric Vehicle Company. In its peak year of 2013, investment reached £588 million. Are there any decisions the Secretary of State would suggest the House take in the next few days to encourage future investment to get back to that kind of level?

**Greg Clark:** There are indeed. The context of technological change is common to the motor industry around the world, but as I hope I have made clear, we have the opportunity to be a beneficiary of that change. We cannot be complacent about how competitive the sector is around the world, which means we must do everything we can to give confidence to investors, and that certainly involves agreeing a deal over the next few days that can unleash the optimism that comes from investment up and down the country—investment that I know in many instances is not taking place while people contemplate what our future trading relationship will be.

**Jeremy Lefroy (Stafford) (Con):** My thoughts are with the workers whose excellent work I saw for myself on a visit to the Swindon plant with the Industry and Parliament Trust last year, and with those at Bridgend and elsewhere—my first job after graduation was as a foreman at Ford in Bridgend. We must not have no deal. Honda's relationship with the UK car industry goes back much further than the car plant at Swindon to the tie-up with British Leyland and the Rover Group when it was still nationalised. I urge my right hon. Friend to remember that history and to engage with Honda to see in what other innovative ways we can engage with it to the benefit of workers at Swindon and elsewhere, just as the then Government did with Michael Edwardes and British Leyland in the days of the new Rover models.



**Greg Clark:** My hon. Friend makes an excellent point, drawing on experience that I was not aware of but which is clearly important to him. He is right that this country's relationship with Honda has been a mutually successful one lasting many years and that we should respect its contribution to the British economy over that time. As I said in my statement, I hope that the fact that its European headquarters will remain here, that its Formula 1 team will still be based just outside Milton Keynes and that it will continue to do research and development there will mean that in the months ahead, when it contemplates new investments, it will think first of a place that has served it and its workforce well for a very long time.

## Making Tax Digital

2.25 pm

**The Financial Secretary to the Treasury (Mel Stride):** With permission, I would like to make a statement on making tax digital for business.

It has never been more important for businesses to be able to seize the opportunities that digital technology offers. Making tax digital helps them to do just that, and I am pleased to update the House today on Her Majesty's Revenue and Customs' progress in delivering this important modernisation of the UK tax system. Businesses that are registered for VAT and whose taxable turnover exceeds the VAT registration threshold of £85,000 will be required to use digital tools to keep their business records and to file their VAT returns for periods from 1 April.

It is important to be clear that MTD is not changing what businesses do for VAT—the frequency of reporting and tax rules remain unchanged; rather MTD is about making it easier for businesses to get their tax right by transforming how businesses keep their records and send their information to HMRC. Under the changes, those who do not already keep their records digitally will be required to start doing so, but the process of then sending returns to HMRC will become more straightforward, with their VAT returns generated and sent direct from the software they are using to keep their records.

In my last update to the House in July 2017, I announced that I was slowing the pace of the roll-out of MTD to give businesses, particularly small businesses, more time to prepare. I set out then that the start date for MTD would be April 2019, that it would be limited to VAT at that time and that the smallest VAT-registered businesses would not initially be required to use it. The extra time that these changes provided has been well spent. The pilot for the MTD VAT service has been running successfully since April 2018 and was opened up to the public in October. I can announce today that over 16,500 businesses are now signed up to the service, and I would encourage all those businesses that will be mandated to use MTD from April to sign up now and get used to the new service.

Businesses such as the oldest family business in Britain, R J Balson & Son, a butchers based in Bridport, Dorset established in 1515, just six years into the reign of Henry VIII, are already making the switch from keeping paper records, and prior to that no doubt records on parchment. The benefits to those moving to MTD are clear: it gives businesses more control over their finances, allowing them to spend their time focusing on innovation, growth and the creation of jobs. Indeed, the Enterprise Research Centre in 2018 found that, for microbusinesses, web-based accounting software delivered productivity increases of 11.8%.

In a world where businesses are already banking, paying bills and shopping online, it is important that the tax system keeps pace, but MTD is not just about providing a modern, digital service for businesses but about helping them get their tax right. We know that keeping records on paper and submitting VAT returns to HMRC manually results in errors. In a recent YouGov poll, 61% of businesses said they had previously lost receipts, and errors can also occur in the manual

transposition of data or manual calculations. Some £9.2 billion of the UK tax gap is attributable to errors just like these. MTD will be a step change in addressing this, closing the tax gap by around £1.2 billion to 2023-24. The service builds on the way in which many UK businesses already operate and they have seen the benefits that digitising will bring. Starting a business and taking control of its future will now be easier than ever.

Some have questioned HMRC's decision not to produce its own software for businesses, but I make no apology for overseeing the development of a diverse software-supplier marketplace that caters to a variety of needs, ensuring that businesses have the tools that they need to succeed. Software developers have responded positively by producing software at a range of price points, including free products, and offering different levels of functionality. That includes bridging software for those who want to continue to use spreadsheets for record-keeping, as well as fully integrated accounting software that provides additional functionality to help users to better understand and plan for their business.

More than 160 software products are already listed on HMRC's software choices page as part of the MTD VAT pilot, and I know of many others that are currently being developed. Our approach to the provision of software means that businesses will be able to choose a product that suits both their budget and their needs. That includes some products which have been developed specifically to support different types of sector, such as specialist products for farmers.

However, it is not just HMRC and the software industry that are getting ready. HMRC's latest research, which I can now share with the House, shows that in December 2018, 81% of the mandated population were aware of MTD, and 83% of those had started to make the necessary preparations. HMRC will have written directly to every business that is mandated to join MTD by the end of this month to signpost them to the help and support that they need in order to prepare. Now that the January self-assessment peak is over and HMRC is expanding its communications activity, we are confident that awareness and take-up will increase still further.

HMRC wants to ensure that MTD lands well and that customers feel supported throughout their transition. The first stagger of businesses that file quarterly will not need to submit their first VAT return through the new service until August this year. We will continue to listen to our customers to ensure that the right support is available to businesses as they become familiar with the new requirements of MTD. I must make clear that during the first year of mandation, penalties will not be issued for late filing but only for late payment. There will, of course, be a process to claim an exemption from MTD on the basis of digital exclusion owing to factors such as disability or problems with access to broadband, or on religious grounds. Any business that is already exempt from online filing for VAT will remain so under MTD without having to reapply.

Some have questioned the timing of these changes, and, in particular, have mentioned the proximity to the date on which the UK will leave the European Union. I can reassure the House that MTD is designed to enable businesses to meet their UK tax obligations as simply as possible, regardless of the outcome of EU exit discussions, and is designed to complement other business tax

obligations. We will continue to work closely with the software industry and with business over the coming weeks to ensure that that happens.

HMRC has made good progress in preparing for MTD. The pilots have progressed well and the full functionality of MTD has been tested with a wide range of different businesses, including some below the VAT threshold which have chosen to take part voluntarily. HMRC is ready, the software market is ready, and hundreds more businesses are getting ready every day by joining the pilot. MTD will help unlock the potential of UK businesses, putting them on a stronger footing to compete internationally, maximising productivity and simplifying business processes.

I commend my statement to the House.

2.33 pm

**Peter Dowd** (Bootle) (Lab): I thank the Financial Secretary for providing a copy of his statement in advance, and for his reference to Henry VIII. I must say that the Government are obsessed with Henry VIII, and with all the powers that they are using in that connection.

As has been recognised by the Federation of Small Businesses, the Labour party has consistently called on the Government to rethink their making tax digital policy, not least because our manifesto commits us to scrapping quarterly reporting for companies under the VAT threshold. The Opposition's concerns are therefore well versed. We have raised them during numerous debates in relation to numerous pieces of legislation, announcements, delays and, indeed, U-turns. Unfortunately, we are here again today, addressing the Government's absolute failure to handle the digital transition—a failure that has serious consequences for businesses throughout the country.

Let me make it clear that we fully support digitalised tax reporting, which we all agree has the potential to drastically reduce the time that individuals and business owners have to spend filling out long and complicated tax returns. We are also aware of the productivity gains that it will bring, to which the Financial Secretary referred. If handled correctly, it could make positive changes in the way in which people report their tax position for decades to come. However, the stakeholders to whom we have spoken in the business sector and the tax community continue to raise deep concerns about their ability to be ready for digital VAT reporting, and they have expressed those concerns to the Treasury Committee.

Owners of small and medium-sized businesses are already worried about the stark changes that they will have to make in 2019 to prepare for Brexit. They are worried about the possibility of a no-deal scenario and the overnight effect that it would have on costs and supply chains. There is also the potential introduction of tariffs and the impact on staff who are EU citizens. The Government have continuously failed to provide the certainty that is needed, so it is little wonder that business confidence is pretty low.

What is more, few people inside or outside the Government believe that HMRC is actually ready. To the best of my knowledge, it has the same problems as many of the businesses that will be required to begin digital reporting in 2019. Those concerns are echoed by tax professionals, who emphasise that the current timetable is unrealistic and unworkable for HMRC and the business community.

[Peter Dowd]

That is why the Opposition propose a delay in the introduction of digital reporting for VAT and income tax purposes until the end of the current Parliament in 2022, assuming that it lasts that long. Such a delay would give HMRC and small and medium-sized businesses the time that they need to prepare adequately and to implement new software in their businesses. Notwithstanding today's announcement, there is a risk that the Government's current timetable will bring chaos and confusion unless the concerns of the business community are fully addressed.

I should be grateful if the Minister would answer the following questions. Are any further costs anticipated as a result of today's announcement? Is the delay in the implementation of making tax digital in any way connected with the so-called estate transformation—or downsizing—of HMRC, which has seen 170 regional offices merged into 13 “regional centres”? Is there not a need for in-house provision of making tax digital software, given the bespoke nature of HMRC's UK-specific needs and the need to co-ordinate with other Departments? Under what legal authority or process has HMRC outsourced provision of that software?

A total of 0.5% of eligible businesses—one in 200—have signed up to making tax digital. Is the Financial Secretary confident that all the businesses will have signed up by the end of the Parliament? He says that he wants to listen to business, but I am afraid he is not listening hard enough, and the rosy picture that he has painted is not quite as rosy as he thinks. He need only ask businesses.

**Mel Stride:** I thank the hon. Gentleman for his response to my statement. I am pleased that he, like me, recognises the value of the digital processing of tax returns. Indeed, he made a specific and welcome reference to its productivity advantages. However, he also referred to what I think he suggested were serious failings in our approach, suggesting that it was not the right approach. I could not disagree more. In my statement, I was at pains to emphasise the proportionate and measured way in which we had approached these matters. I said that when I first became Financial Secretary to the Treasury, I decided to delay the roll-out of MTD so that it related only to VAT-registered businesses by 2019, and carved out the very smallest businesses and individuals from these measures. Indeed, I gave reassurances to the House and the business community that nothing will be introduced in terms of income tax and corporation tax any earlier than 2020 and that we would see how the roll-out of the VAT MTD went before we took any further decisions in that respect.

The hon. Gentleman raised several specific questions, which I will address in turn. He asked whether there will be any additional costs as a result of today's announcements to those businesses in scope of MTD, and the answer to that is most certainly not. He might be familiar with the estimates already produced that suggest that on average a business in the UK that is in the scope of these measures will face additional costs of some 60p per week, and that does not take into account the efficiency gains that can be expected or indeed the fact that in many cases those costs will be able to be written off against taxation.

The hon. Gentleman referred to the continuing estate transformation work and asked whether there was any link between that and MTD. I think there is in the sense that we have a clear drive to make sure that HMRC is a lean and efficient organisation itself in the 21st century and that its estate is not scattered across the country in numerous offices, some employing fewer than 10 staff, but is in state-of-the-art hubs where digital and IT approaches can be maximised.

The hon. Gentleman asked whether we had considered developing in-house software for MTD, and I think he might have been urging us to do so. I know that it is a passion of the Labour party to centralise and have monolithic organisations that do all the organising at the centre, but that is not the way of us on this side of the House; we believe that the market generally knows best, which is why I was delighted to have been able to announce that we have no fewer than 160 different competing products, and that number is growing by the month.

The hon. Gentleman asked whether the Government were confident that we would be signing up the right number of companies in time, and I would make a few important points on that. First, there is no cliff edge on 1 April; that is the date at which companies and individuals will be required to keep digital records, but for most companies the first time they will have to submit a VAT return under MTD will be for the first tranche around 6 August and for subsequent tranches in the months following that date. There is plenty of time for companies to sign up and get involved. Secondly, as I have already elaborated, we will take a proportionate, light-touch approach to penalties, working with companies and businesses to make sure that MTD roll-out is a success.

**Nicky Morgan (Loughborough) (Con):** I think we can all agree that the digitisation of tax is to be welcomed, as is companies paying the correct amounts and the tax gap being reduced, but I want to pick up where the Financial Secretary left off and ask what happens for smaller companies if this goes wrong or if they make errors in their filings. The shadow Front Bencher is correct in the sense that many businesses and business organisations are very unconvinced by this roll-out. The Financial Secretary said in his statement that penalties will not be issued for late filing in the first year, only for late payments, but of course for many businesses it is all very well giving HMRC the money but getting it out of HMRC and getting HMRC to deal with queries can be very difficult. Does the Financial Secretary agree that overall a system of generous forbearance would be very welcome if he wants to continue with this system?

**Mel Stride:** I thank my right hon. Friend for her questions and also for her work: she and her Committee have focused on this important matter. I can reassure her that we have no intention of being heavy-handed in any way in terms of businesses that might not quite be ready perhaps through no fault of their own or because they are not used to the new requirements. But there is an important point to make here: some 98% of businesses, including the small and medium-sized enterprises to which my right hon. Friend referred, are already filing their VAT digitally. I can reassure her that I will make sure, as the Minister responsible, that we take a proportionate and light-touch approach to the penalty regime in this matter.



**Kirsty Blackman** (Aberdeen North) (SNP): There is a lot going on in HMRC just now: MTD, the incredible number of additional staff being put in to deal with Brexit, and the downsizing and changing of HMRC offices. It is interesting that the Minister says he is not in favour of centralisation in the provision of software but is in favour of centralisation in relation to closing all the offices so that there are only super-offices, not local ones.

HMRC has not yet provided even the most basic information that taxpayers will require in order to take part in MTD. Some have received a letter—an overly complicated and fairly cursory letter—telling them of the start date, but they have not received information on their specific queries about how to sign up to MTD and how it will work for them. It would be useful for the Minister to provide more information around what HMRC is doing on that.

The Minister said 81% of the businesses that are expected to sign up by April are aware of MTD. It is a damning indictment that only 81% are aware of it; HMRC and the Government should be doing a better job of making sure these businesses are aware of it, because 19% are not aware, and in fact a significant number of businesses are hearing about this potentially for the first time today.

Because there is no one approved software provider recommended by HMRC, I am concerned that 160 choices is a baffling array that businesses will have to decide between with no idea which of these software choices will work, which will work well and which will suit their business. It is not helpful to have that many software choices.

On penalties on businesses, I understand that when businesses sign up to MTD, their previous records are transferred from the old system to the new one and are lost from the old system. Can the Minister confirm that businesses that hold out until later than April but before their filing date will not be penalised for holding out in order for them to make sure the system is working properly and to make appropriate software choices before they make that switch, and potentially lose all their old records?

On Brexit staff and the changes HMRC has been making to focus on Brexit, can the Minister confirm how much resource has been put into MTD and communicating this to taxpayers compared with how much resource has been put into preparing for Brexit? If significantly more has been put into Brexit, is now really the right time to be trying to make changes around MTD when there is potentially not enough HMRC resource to go around, never mind enough resource within businesses to try to deal with both these things coming down the line at once?

**Mel Stride:** I thank the hon. Lady for her various questions and will deal with them in turn. She referred to the matter of awareness and the 81% figure. We would expect that figure to rise through time quite strongly, not least because of our communications programme. We will be writing by the end of this month to the 1.2 million businesses and individuals in scope of this measure. We of course have our VAT helpline for where there are queries, and there is a huge amount of information available on gov.uk.

The hon. Lady made a pertinent and perfectly reasonable point about how businesses and individuals will navigate their way around the various software suppliers and the 160 different products. First, all that information is available on gov.uk, and, secondly, we will shortly be releasing further information that will allow businesses to put in their requirements and then reduce that number of products to a subset that is particularly relevant to their needs.

The hon. Lady asked about the resources put into MTD compared with those put into our Brexit preparations. That of course probably begs several other questions as to what aspects of our preparation for Brexit she wishes to make for that particular comparison, and I would be very happy to discuss that with her in further detail after this statement.

**John Redwood** (Wokingham) (Con): Is there a short and comprehensible guide for small businesses in my constituency that are worried about this but have been concentrating on serving their customers, because it is not necessarily their first priority to get alongside this? They now know they have got to do it, however, and they need something short and simple so they do not have to waste too much time fiddling around with how to comply with the tax authorities.

**Mel Stride:** The short answer is yes; it can be found on gov.uk. Indeed we have also produced a partnership pack for intermediaries, which sets out in very clear language exactly what is involved and what will be expected of those businesses and individuals.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): I do not know whether the Minister is familiar with young children's literature, but Roger Hargreaves is a popular choice as the inventor of the Mr Men. I am not accusing the Minister of being Mr Tickle or Mr Silly, but perhaps today he is Mr Smug. The fact is that small and medium-sized enterprises in my constituency and around the country have been knocked sideways by the changes in the training levy, which relates to how they get their people skilled and trained. They have not yet digested that, but now we have another onslaught with digitisation. Is he aware that many of my constituents are going to be forced into the hands of so-called professional people—accountants—who will charge them a great deal of money to do this process for them?

**Mel Stride:** I am indeed familiar with the work of Roger Hargreaves. I am not sure whether there was a Mr Cautious or a Mr Sensible, but I think they would be more appropriate than Mr Tickle or Mr Silly. To answer the hon. Gentleman's question, in terms of navigating around the various options, we are providing clear guidance that is very easy to follow, and 98% of those businesses and individuals that will be impacted are already filing their VAT returns digitally. Among the software products available, there is bridging software that allows companies to continue to make use of spreadsheets while using the software, some of which is free, to make their submission to HMRC.

**Craig Tracey** (North Warwickshire) (Con): I welcome this statement. One of the barriers to creating a coherent strategy to encourage more female entrepreneurs is a lack of gender-disaggregated data to enable us to

[Craig Tracey]

understand not just how many there are but what sectors they are in. Does my right hon. Friend agree that this platform could provide a way to resolve this?

**Mel Stride:** First, I should like to thank my hon. Friend for all the good work he does through the women and enterprise all-party parliamentary group to promote women in the world of work. This Government have of course presided over almost a record number of women being active in the workplace. I know that his all-party group will shortly produce a report on the point that he has raised, and I will look at that carefully to see whether something might be done. I shall remain mindful of the important point made by many others that we do not want to over-complicate or clutter up forms by seeking additional information, but I will look carefully at the recommendations he makes.

**Christine Jardine** (Edinburgh West) (LD): On the one hand, the Minister says that he wants to simplify and digitise the tax system, while on the other, exporters are being threatened with masses of red tape as a result of the Government's refusal to rule out a no-deal Brexit. Why are we rushing this through at this point, when companies are already facing such flux and uncertainty because of Government policy?

**Mel Stride:** I think our preparations for Brexit are probably slightly outside the scope of this statement, but I can reassure the hon. Lady that every step that has been taken in preparing for MTD—indeed, its roll-out was delayed to ensure that we were prepared—will ensure that the 1.2 million companies and individuals are in the best possible position to go forward with something that will actually be a help to their own productivity.

**John Howell** (Henley) (Con): One of the problems areas in my constituency is the farming industry, which seems to be having enormous problems with this. The Minister mentioned this in his statement, but can he tell me what is doing specifically to help the farming industry?

**Mel Stride:** My hon. Friend is right to say that I referred to the fact that specific software was available for those in the farming sector. There is also advice that is relevant to farming on gov.uk, but if there are any further specific points that he would like to raise with me in the context of his farmers, I would of course be happy to discuss them.

**Ian C. Lucas** (Wrexham) (Lab): The HMRC command economy in Wales requires all HMRC workers to work in Cardiff city centre. May I invite the Financial Secretary to the Treasury to get out more and to go to places such as Wrexham, where 380 skilled HMRC workers are being forced either to go to Cardiff city centre or to work in England? We have a vibrant digital sector, and we have businesses that are anxious to support the local economy. Why are the Government so intent on focusing centralisation on communities? Should not the towns in this country have a stake in the digital sector?

**Mel Stride:** I think the hon. Gentleman's question relates almost exclusively to the HMRC transformation programme, as opposed to MTD, but perhaps with your

indulgence, Mr Speaker, I can reply to his specific questions. What matters is that HMRC is ready and right for the 21st century, that its digital offering is sophisticated enough and that it has the skills resident in the centres that we have in order to run a 21st century tax system. He invited me to get out a bit more: I shall have great pleasure in visiting Bristol within the next fortnight to be part of the opening ceremony for the important office that we are bringing on stream in that part of the world.

**Sir David Evennett** (Bexleyheath and Crayford) (Con): I welcome my right hon. Friend's statement, and especially his determination to make it easier for individuals and businesses to get their tax right with MTD. I am also pleased that he will be sympathetic to small businesses, particularly initially, but will he confirm that the Government remain absolutely determined to tackle tax avoidance, tax evasion and non-compliance?

**Mel Stride:** I thank my right hon. and, indeed, gallant Friend for his question. He has my reassurance that we will most definitely continue to focus on avoidance, evasion and non-compliance. We have brought in and protected a total of £200 billion since 2010, and these measures will protect and bring in a further £1.2 billion by 2023-24. Let us remember that we bring in this tax for a purpose, which is to support our vital public services, including the record amount that we will be spending on our national health service.

**Jim Shannon** (Strangford) (DUP): I very much welcome HMRC's efforts to introduce MTD through its pilot schemes, where the take-up has been significant. However, there is a shortfall of up to 25%, as the Minister said, as some businesses are not au fait with technology and find the process laborious. Does he agree that there is a need for a concerted campaign to hand-hold those remaining customers, particularly in the farming sector, through the introduction of MTD? Will he commit to doing just that?

**Mel Stride:** The hon. Gentleman raises an extremely important point about our communications programme. As I have already set out, we will be writing to every one of those 1.2 million businesses and individuals who are in scope of MTD by the end of this month, and that comes on the back of the huge amount of engagement that has already taken place. We are also holding webinars on MTD, and there is certainly one, if not two, taking place this afternoon. For those who are genuinely and absolutely digitally excluded, we have a pilot to ensure that we are able to accommodate them. Those 5,000 businesses and individuals that are currently excluded from digital filing for VAT will automatically be excluded from having to enter into MTD.

**Matt Warman** (Boston and Skegness) (Con): The Minister knows that I am one of those who would urge him to introduce MTD faster, because the benefits so clearly outweigh the disadvantages. We should no more seek to limit the number of software providers in this country than we should seek to limit the number of accountants. Can he assure me that HMRC is doing everything it can to encourage more software providers, so that we can provide unique and bespoke software to the many different sectors that power our economy?

**Mel Stride:** I thank my hon. Friend for making that important point. We are encouraging businesses to engage with the software community, which has been part of our engagement more generally with stakeholders over a number of months. New software products are coming to the market all the time, and, as I have said, no fewer than 160 different products are already available.

**Ben Lake (Ceredigion) (PC):** It is good to see that the Government recognise that accessing adequate broadband remains a challenge to many businesses, especially those in more rural areas. Will the Minister elaborate further on the exemption that will be introduced to reflect that fact, and tell us how it might apply to areas such as Ceredigion, where 9% of lines receive speeds lower than 2 megabits per second?

**Mel Stride:** The standard speed of 2 megabits per second is perfectly adequate to run the kind of software that we are looking at here. I have touched on the issue of digital exclusion, and we will ensure that businesses that really cannot find appropriate broadband speeds, that are extremely isolated or that are among the 5,000 businesses and individuals already exempt from submitting digital VAT returns are still excluded. We will look at every single case carefully and on its merits.

**Vicky Ford (Chelmsford) (Con):** Like many self-employed service providers, my constituent collects VAT from his clients, does his VAT return himself, and then inputs the figures directly into the HMRC website. Now that he will need to use software to upload that data, I am delighted to hear that there are 160 different providers, some of which are free. However, the HMRC website is not clear about which providers are free, and my constituent has been trying to find a free option that is suitable for a small business. Will the Minister ensure a little more clarity from the HMRC as to which options are free and which are best for small, self-employed entrepreneurs?

**Mel Stride:** I thank my hon. Friend for her question, and I will certainly look into that specific matter.

**Nick Smith (Blaenau Gwent) (Lab):** Following on from the previous question, a KPMG survey reports that 64% of businesses say that making tax digital is a good idea but that they need more support. Unsurprisingly, the British Chamber of Commerce has called for a delay until 2020. Does it make a good point?

**Mel Stride:** The important point that has been consistently made to me is that we need a measured and proportionate approach to the roll-out of MTD, which is why, as I said earlier, I took an early decision to delay it, to restrict it just to VAT and to restrict it within that to larger VAT-registered businesses. We are investing a huge amount in the roll-out and in information, including the letters going to 1.2 million companies and businesses by the end of this month, the webinars, the VAT helpline, and all the information that is on gov.uk, to ensure that it runs smoothly.

**John Stevenson (Carlisle) (Con):** I declare an interest as I am a member of a business that has submitted such tax returns. The digital system that we use has many advantages, is beneficial and creates efficiency within the business. I also completely agree with the Government's desire to streamline the process, which is undoubtedly advantageous, and I agree with the Minister's comments about there being no penalties.

However, I am aware of some businesses that are oblivious to the requirement and some that will struggle. May I gently suggest to the Minister that HMRC concentrates on larger businesses and gradually moves on to smaller businesses over time, giving smaller companies the maximum length of time to get themselves organised? Does he agree that the implementation period should be extended slightly if need be, but only for smaller businesses?

**Mel Stride:** My hon. Friend is absolutely right to observe that the smallest companies are, almost by definition, likely to find this change more onerous, and I will take his points on board. I certainly reassure him that HMRC will take a light-touch approach to penalties in all cases, particularly those involving small companies. Provided that individuals and businesses are not wilfully trying to avoid or change the amount of VAT that is due, we will take a proportionate and light-touch approach.

**Kevin Hollinrake (Thirsk and Malton) (Con):** I draw the House's attention to my entry in the Register of Members' Financial Interests about my continuing business interests. My right hon. Friend has taken a very considered approach to the threshold of eligibility and the pace of the roll-out. Will he confirm not only that he will continue that approach in the next phase of the roll-out, but that our default position should be to reduce rather than increase the bureaucratic burden on small businesses?

**Mr Speaker:** The nation will be pleased to know that the hon. Gentleman is a distinguished estate agent.

**Mel Stride:** That is certainly no oxymoron, Mr Speaker. My hon. Friend is indeed a distinguished estate agent, and I thank him for his question. He has my absolute reassurance that we will not bear down on businesses with additional bureaucracy. We are there to help and support them and at the same time to ensure they are more efficient and effective in their tax affairs.

**Julian Sturdy (York Outer) (Con):** I am reassured by the Minister's comments about businesses that are unable to access suitable broadband provision. However, what conversations has he had with the Department for Digital, Culture, Media and Sport about access to better broadband, so that the 5,000 businesses that will not be able to access MTD will be able to do so in the future?

**Mel Stride:** All Departments across Whitehall have regular contact with DCMS about broadband roll-out. Broadband is central to much of what the Treasury does, but it is of particular importance to MTD. We will continue to have those conversations.



## Point of Order

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): On a point of order, Mr Speaker. Many Members regard parliamentary privilege—that we can say things in the House that people cannot take action against—as the greatest privilege, but a small minority of Members seem to use privilege more regularly to attack either colleagues in the House or people outside. Today, during the urgent question on the Northern Ireland backstop, two Members went for a senior civil servant, Olly Robbins, saying things about him, his reputation and his character that were quite indefensible. I know that Members on both sides of the House have thoughts about such remarks about senior civil servants, who cannot answer back and have no recourse. Is there any way that you could look into how a small minority of people are using parliamentary privilege in a way for which it was not designed?

**Mr Speaker:** I am grateful to the hon. Gentleman for his point of order, and I will make several points in response. First, Members should exercise their parliamentary privilege with due care and a sense of responsibility. Secondly, immoderate language, not merely in relation to subject matter but more particularly in relation to people, is frankly to be deprecated. Thirdly, we should observe the precepts of “Erskine May” in the conduct of parliamentary debate.

I do not recall off the top of my head whether the hon. Gentleman was present in his seat when I treated earlier of this matter in response to a timely point of order from the right hon. and learned Member for Rushcliffe (Mr Clarke), who of course is also the Father of the House and who similarly took exception to some of what was said. I did not intercede at the time for there was no direct breach of parliamentary protocol. There was nothing specifically disorderly about what was said, but I did think that there was an issue, at the very least, of taste, and I think I did refer to the coarsening and vulgarisation of debate, which we should take care to avoid.

More particularly in relation to what the hon. Member for Huddersfield (Mr Sheerman) says about civil servants, although each Member must of course take responsibility for what he or she says in this place, we must remember that such individuals are not in a position to respond. They cannot speak for themselves with a public voice, other than very specifically on behalf of their ministerial bosses. Many people will feel that it is inappropriate to launch personal ad hominem attacks on public servants. What we say to each other is a bit different, but great care and responsibility should be exercised in relation to such career officials. I am sorry that there have been departures from that principle in recent times, and I hope they will not be repeated.

## Dog Meat (Consumption) (Offences)

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

3.9 pm

**Bill Wiggin** (North Herefordshire) (Con): I beg to move,

That leave be given to bring in a Bill to make it an offence to consume dog meat and to transport, possess or donate dog meat for the purpose of consumption; and for connected purposes.

Tragically, around the world, 30 million dogs a year are eaten, and more than 10 million of them are killed in China alone. In the Republic of Korea, dog meat is the fourth most consumed meat after pork, beef and chicken. More than 450 tonnes of dog meat were imported to Japan between 1997 and 2017. The dog slaughter industry is worth between \$220 million and \$273 million.

Eating dog meat has long-standing cultural significance in many east Asian countries, where many consumers believe it to have medicinal value and to bring good fortune, yet none of the alleged health benefits has any scientific basis. Instead, eating dog meat fuels an unspeakably cruel trade involving animal torture.

It may seem extraordinary, but consuming dog meat is currently not illegal in the UK. Luckily, there is no evidence that dogs are eaten in the UK yet, but due to the vile way in which dogs are treated in China, I would like our country to join in setting an example to the world. China argues that, until we make it illegal, why should they?

Two months ago, a ban on the human consumption of dog meat was passed in the United States, following Germany, Austria, South Australia, Taiwan and Hong Kong. This Bill is an opportunity for the UK Government to join those countries in introducing a ban, which is particularly important as the conditions under which dogs are farmed, transported and slaughtered are deliberately cruel. It is believed that inflicting suffering raises an animal's adrenaline levels, tenderising its meat and adding medicinal properties.

This Bill, therefore, is not just about consuming dogs but about the extra suffering and cruelty involved. Humane Society International, the animal protection organisation, has reported the appalling conditions to which dogs are subjected. Usually forced into tiny cages, many dogs suffer broken limbs as they are transported vast distances, often without food or water. Poor sanitation, parasite infestations and disease outbreaks spread quickly in crowded conditions.

A 2007 study by Vietnam's National Institute of Hygiene and Epidemiology found that two in 10 sick dogs in Hanoi slaughterhouses were rabid. Some dogs are force-fed with a tube down their throat to boost their weight before slaughter. Nearly half the dogs die before reaching their final destination. Injured, dehydrated and exhausted, the dogs that are still alive face unspeakably cruel deaths. Routine methods of slaughter include bludgeoning, hanging, boiling, skinning and blow-torching alive. The dogs are then consumed.

The city of Yulin in China hosts an annual dog meat festival that is infamous for its inhumane slaughtering methods, which are practised at over 100 slaughter sites around the city, including crowded markets, in the streets and outside schools. The dogs, some of which

are puppies, are tortured and killed in front of each other. During the 10-day festival, 2,000 to 5,000 dogs are killed each day. Over 230 tonnes of dog meat are consumed each year at that festival alone. I hope the House would agree that the sheer scale, as well as the unnecessary cruelty, is truly shocking.

In the UK, we spend £10 billion a year on our 8.9 million pet dogs. They provide companionship and love and, for many people, they are part of the family. Dogs are used by the police, our armed forces, in therapy and, of course, as guide dogs. Our laws usually reflect the respect that dogs deserve, and this Bill fits with our long and proud tradition of support for and insistence on the highest standards of animal welfare. As a nation of dog lovers and champions of animal protection, the UK must enact a ban on trading and consuming dog meat.

If the animal cruelty were not bad enough, the human suffering cannot go unnoticed. In China, an estimated 70% of dogs slaughtered for consumption are stolen pets. Anybody whose pet has gone missing knows the worry and fear for the future of their loved pet, the anguish and concern over what has happened, or simply having to wonder, "Where is my dog?" At least in the UK we know our missing dogs will not be eaten.

In China, dog-snatching gangs are hired by butchers to supply cheap animals. Increasingly bold, these gangs are often armed with machetes and Tasers. The dog meat trade normalises violence and fuels both animal and human abuse. For the sake of the tortured animals, the victims of crime and the exploited workers, it is vital that the UK takes steps to end this cruel industry.

In 2015, the World Dog Alliance organised a petition to urge the South Korean Government to act, and it received more than 100,000 signatures from UK citizens. In response, the South Korean Government closed the nation's biggest dog meat market ahead of the 2018 winter Olympics. Fortunately, many countries recognise the value of contributing to this global effort, with the United States being the latest to introduce a ban. That

ban was passed two months ago, even though, like here, dog meat consumption is not a problem in America. Last week, a group of US Congressmen and former Representative Jeff Denham wrote directly to our Prime Minister urging the Government to introduce a ban, emphasising the need for an international condemnation of dog meat consumption.

I am proud to have campaigned for tougher sentences for animal cruelty, and I am proud that the mistreatment of animals in the UK, and across the globe, has always been an important concern of our Government. My hon. Friend the Member for Clacton (Giles Watling) has tabled an amendment to the Agriculture Bill that would enable the House to support the ban on consuming pets. The hon. Member for Strangford (Jim Shannon) will introduce a Westminster Hall debate on this topic on Thursday.

It is helpful that this issue has support from MPs on both sides of the House, and it is certainly an issue that my constituents, and the wider population, care deeply about. I am sure that anyone who takes animal welfare seriously would join my colleagues and me in condemning the vile torture and slaughter of dogs. Making it an offence to consume dog meat, or to transport, possess or donate dog meat for the purpose of consumption, would highlight our country's commitment to outlawing the practice globally and would cement the UK as a champion of animal welfare.

*Question put and agreed to.*

*Ordered,*

That Giles Watling, Andrew Rosindell, Dame Cheryl Gillan, Sir David Amess, Scott Mann, Mr Ian Liddell-Grainger, Daniel Kawczynski, Sir Henry Bellingham, Damien Moore, Royston Smith, Tracey Crouch and Bill Wiggin present the Bill.

Bill Wiggin accordingly presented the Bill.

*Bill read the First time; to be read a Second time on Friday 22 March, and to be printed (Bill 337).*

## Exiting the European Union (Structural and Investment Funds)

3.17 pm

**The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Richard Harrington):** I beg to move,

That the draft European Structural and Investment Funds Common Provisions and Common Provision Rules etc. (Amendment) (EU Exit) Regulations 2019, which were laid before this House on 28 January, be approved.

When debating statutory instruments, we normally say how honoured we are to serve before the Chair, whoever he or she may be. This is the first time I have debated a statutory instrument in the Chamber, so I do not know whether I should say it is an honour to do so before you, Mr Speaker. If you took it as read, you would be entitled to do so. *[Interruption.]* The Opposition Whips are chuntering from a sedentary position, and they do themselves no credit.

**Chris Elmore (Ogmore) (Lab):** That is bordering on the scandalous.

**Richard Harrington:** Indeed so.

In a no-deal situation, this instrument will repeal the European regulations concerning the European structural funds, while ensuring that the funds can continue operating domestically. It will also repeal the regulations on the Cohesion Fund, for which we are not eligible.

The structural funds include the European regional development fund and its cross-border European territorial co-operation component, and the European social fund. The structural funds are shared management funds that support regional investment across the UK, and they are funded via the EU budget, with co-funding provided by project participants. Typical projects include the recently launched advanced engineering research centre in Sheffield, which supports economic development and upskilling in the local economy. Typical cross-border projects under the European territorial co-operation component of the structural funds include the intelligent community energy project on smart energy. Three UK universities and local small businesses are working in collaboration with French research centres and small and medium-sized enterprises to find local solutions to support low-carbon energy systems.

In a no-deal scenario, the United Kingdom is expected to lose access to European funding. To ensure that this regional funding continues in a no-deal scenario, the Government announced in 2016 that they would guarantee funding for structural funds projects signed before we leave the EU—that was extended last July to cover new projects signed after exit until the end of 2020. That guarantee covers UK beneficiaries and, exceptionally, all beneficiaries of the Peace programme in Ireland and Northern Ireland, and Interreg V-A in Ireland, Northern Ireland and Scotland. This is due to the Government's continued commitment to support peace and reconciliation in Ireland.

This statutory instrument facilitates the domestic delivery of structural funds in a no-deal scenario. It repeals the European regulations for these funds, as they would become inoperable retained European law and therefore would not work, because the European

regulations create a shared management programme between the EU and a member state. Keeping them would create obligations that the managing authorities of the funds could no longer meet after a no-deal exit.

The instrument also ensures that for European regional development fund and European social fund projects started before exit, current fund delivery rules would be upheld through existing funding agreements, without keeping redundant EU regulations. The powers to continue paying project beneficiaries in the UK already exist under our domestic law, so the instrument does not make provision for projects started after exit. Managing authorities for the funds will none the less continue to sign new projects under existing domestic powers and using existing delivery systems, with appropriate simplifications. So the main aim is to provide stability for beneficiaries, and the project rules will continue to be enforced through the same funding agreements. Hon. Members should also note that this instrument ensures that structural funds delivery remains a devolved matter.

**Kevin Hollinrake (Thirsk and Malton) (Con):** I will refrain from asking my hon. Friend's opinion on a no-deal. Structural funds are there primarily to try to rebalance our economy, through regional investment right across the UK. Whether we are in the EU or out, and whatever state we are in afterwards, does he agree that it is hugely important that we spend a greater proportion of our investment on infrastructure and other economic development in the regions, rather than in the capital?

**Richard Harrington:** I totally agree with everything my hon. Friend said, other than not asking my views were on no deal. I think he knows those, and I hope most people in the House do.

**John Redwood (Wokingham) (Con):** Will my hon. Friend just tell us what the dispute resolution procedure is?

**Richard Harrington:** If my right hon. Friend would bear with me, I will address that later in my remarks—I thought he was going to ask me the same question.

This instrument includes a transitional provision that enables the guarantee to be paid out to bodies involved in a European territorial co-operation programme. The power to fund beneficiaries of cross-border programmes currently comes from European law, and therefore needs to be continued in domestic law through this instrument to protect beneficiaries in a no-deal situation. That will enable the United Kingdom to continue to participate in cross-border European territorial co-operation programmes involving Northern Ireland, Ireland, and Scotland. Those programmes, known as Peace and Interreg V-A, support peace and reconciliation on the island of Ireland.

The EU has made special provisions to enable the United Kingdom to continue in both Peace and Interreg V-A in a no-deal situation, if the United Kingdom continues to pay for its share of those programmes. The transitional powers in this instrument enable the United Kingdom to make such payments to the EU to enable our continued participation in the event of a no-deal. That is consistent with our general commitments to Peace and Interreg V-A. In this arrangement, the European



regulations do not need to be retained. The United Kingdom will sign an agreement with the EU to ensure that programme beneficiaries continue to follow relevant rules. The transitional provision to pay the guarantee to European territorial co-operation beneficiaries also ensures that beneficiaries of cross-border programmes other than Peace and Interreg V-A can be paid sums from the guarantee. Specifically, this provision gives Her Majesty's Government and the devolved Administrations the appropriate powers to ensure that UK partners of such cross-border projects can receive the guarantee through domestic arrangements, to safeguard for all possible no-deal scenarios.

Among such scenarios, the House should note that in a no deal, without further changes to the European Commission's regulations, UK organisations would be unable to continue in the majority of European territorial co-operation programmes, other than Peace and Interreg V-A, as they would not have third country access to the programmes. This instrument is designed to enable UK partners to access funding in such a scenario. The EU has published a no-deal regulation that would allow the UK to continue participating in EU programmes in the event of no deal until December 2019. However, that would depend on the UK agreeing to continue to contribute to the 2019 budget as if we were a member state. This proposal is subsidiary and without prejudice to the EU's specific proposal on Peace and Interreg V-A. The Government are currently analysing the Commission's proposal, but hon. Members should rest assured that this instrument will allow the guarantee on European territorial co-operation programmes to be distributed in any scenario.

Without this statutory instrument, delivery Departments would not have the powers to pay out the guarantee to beneficiaries of European territorial co-operation programmes.

Without legislation, the United Kingdom would not be able to pay for its share of the Peace and Interreg V-A programmes involving Northern Ireland. That would mean we could not take part in these two important programmes, and current beneficiaries of those programmes would be at financial risk.

I mentioned briefly the separate legal provision being made by the EU for the UK to continue to participate in the Peace and Interreg V-A programmes. That provision is intended to enable continued access to the programmes in the event of no-deal, but it does not resolve the problem of payment powers. That is why we need both the EU regulation and this statutory instrument to safeguard these programmes and to ensure the continuation of their benefits.

**John Redwood:** Before the Minister moves on from the money, will he explain how the money would be calculated, and whether we would have to make a contribution to the administration costs or just to the actual costs of the programme?

**Richard Harrington:** If I may, Mr Speaker, I will use this opportunity to answer my right hon. Friend's earlier question about the dispute resolution. Any disputes in relation to how funding is spent are dealt with through the audit and default functions and the provisions set out in the existing funding agreements. As for his second question, I will have to give the matter some thought, as

I must confess I do not know the answer. If I do not think of it in the next half an hour or so, I will certainly write to him with the answer on that. My memory is quite good and usually things come back in due course, as I know they do to you, Mr Speaker.

I mentioned that the EU is making separate legal provision for us to continue to participate in the Peace and Interreg V-A programmes. That provision is intended to enable continued access to the programmes in the event of no deal, but it does not resolve the problem of payment powers, which is why we need both the EU regulation and this statutory instrument to safeguard those programmes and to ensure the continuation of their benefits. Not having this instrument in force by exit would also prevent the Government and our devolved Administrations from paying out the guarantee to UK partners of other territorial co-operation programmes, risking their financial viability.

**Chris Elmore:** I do not think anyone on the Opposition Benches objects to what the Minister is saying. In fact, I am sure that he and I agree about the catastrophe that could be a no deal. Will he care to expand on what would happen with the shared prosperity fund beyond any transition period and beyond any deal? Currently we seem not to know. The Minister is an honourable man, and it would be helpful if he could give the devolved Administrations some reassurances about how the prosperity fund will be managed and what funds will be available to regenerate communities in my constituency.

**Richard Harrington:** As the hon. Gentleman—who, for the record, is also an honourable man—would expect me to say, that is not actually within the scope of this particular statutory instrument. I know, Mr Speaker, that in this case you do not have to rule on the scope of it, but the answer to the hon. Gentleman's question is quite long, so I am happy to discuss it with him outside the Chamber, if that is acceptable to him.

**Chris Elmore** *indicated assent.*

**Richard Harrington:** I think I got away with that one, Mr Speaker, but I am not sure. [*Interruption.*] For now, Mr Speaker.

The House should note that this instrument is designed for a no-deal scenario. If there is a deal, the intention is to include a provision in the withdrawal agreement Bill to defer commencement of the regulations until the end of the implementation period. For that reason alone, I urge all right hon. and hon. Members to vote for the EU withdrawal agreement Bill. That deferment would mean that the regulations would come into force at that point, rather than on the date of exit.

In conclusion, in a no-deal scenario this instrument repeals redundant European law while ensuring that regional investment projects previously supported by the EU, including those supporting peace in Northern Ireland, are protected by the funding guarantee. For those reasons, I commend the regulations to the House.

3.30 pm

**Chi Onwurah** (Newcastle upon Tyne Central) (Lab): I thank the Minister for setting out the technical details of the statutory instrument so clearly. Here we have yet

[Chi Onwurah]

another statutory instrument that makes provision for the regulatory framework after Brexit if we crash out without a deal. The parliamentary recess has been cancelled because of the sheer volume of SIs to be dealt with before 29 March. Of the 442 laid since June, 269 have yet to be passed. Of the 20 SIs relating to the Department for Business, Energy and Industrial Strategy passed in 2019, only two had impact assessments available.

As many of my shadow ministerial colleagues have made clear, the volume and flow of secondary legislation on European Union exit is deeply worrying in the context of accountability and proper scrutiny. The Government have assured the Opposition that no policy decisions are being taken, but the establishment of a regulatory framework inevitably involves matters of judgment and raises questions about resourcing and capacity. In that light, the Opposition wish to put on record our deepest concerns about the process for the regulations.

Labour will not oppose the statutory instrument, given the importance of the European structural and investment funds to the United Kingdom. We recognise the necessity of ensuring that the requisite regulations are in place to allow the UK to manage such funding, but we have serious concerns about the scope of this SI and the Government's complete failure to take effective action to reduce regional inequality in the UK. The Government have presided over the UK becoming the most regionally unequal country in the European Union. We are the second most unequal country in the OECD, with only Mexico ahead of us. We are home to the richest region in northern Europe—London—but we also have six of the 10 poorest regions. In London, disposable income per household is almost 60% higher than it is in Wales and in many regions in England. Transport spending per head is 15 times higher in London than it is in Yorkshire.

The Government have not only failed to tackle regional inequality, but increased it. Their local government finance settlement shows a party so beholden to ideology that they will willingly deepen the crisis in our councils, which have been

“gutted by a series of government policies.”

Those are not my words, but those of the UN special rapporteur on extreme poverty and human rights. European structural and investment funding plays a significant role in tackling just such economic and developmental disparities between regions. It is all the more important because of the impact of the past 10 years of Tory Government.

**Kevin Hollinrake:** The hon. Lady refers to some figures that, I think, come from the Institute for Public Policy Research, saying that the spending in Yorkshire is 15 times lower than it is in London.

**Chi Onwurah:** On transport.

**Kevin Hollinrake:** Yes, but those figures are inaccurate. The contribution from central Government is pretty much on a par on a per capita basis. The difference comes when we add in local authority spending on transport infrastructure and private sector investment. It is about 3:1, which is still too great a differential, but

it is important that we look at the figures in the round and factually, rather than at some of the headline figures.

**Chi Onwurah:** I thank the hon. Gentleman for his intervention. It is important that we look at the background to the statistics that we use. I can say to him very clearly that, for example, the statistics used by Transport for the North and other reputable bodies show consistently higher per head spending in London than in our regions, including in his and mine.

In the hon. Gentleman's region, in my region and across the country, ESI funding supports our people, our businesses and our innovation. Those things are simply too important for us to leave questions about transition unanswered. Over the current 2014 to 2020 funding cycle, the European structural and investment funds are worth more than €19 billion to the UK, including €10 billion in direct investment. Wales alone, as one of the poorest regions in the UK, is receiving €2.4 billion in the current period. The impact of that funding is huge; the impact of losing it would be greater.

In the past 10 years, it is estimated that European Union investment has created more than 115,000 jobs and 25,000 businesses. In my constituency, funding from the European regional development fund supported the construction of The Core, part of the Newcastle Helix, and the growth of more than 800 local businesses through Supply Chain North East. Throughout the UK, EU funding has driven growth in the low-carbon economy, particularly through investment in research and innovation, and it has ensured that it is local economies that have benefited. It is not just income that the European Union funds provide: the security guaranteed by the seven-year funding cycle of structural funds allows economic planning in partnership across local authorities, the private and third sectors over a longer period than our domestic funding. That security is crucial to attracting the necessary match funding from donor partners.

The statutory instrument deals purely with projects that start before the Brexit exit day on 29 March and enables them to be administered according to pre-agreed frameworks. None the less, we need more clarity. Does that refer to projects that have been approved before 29 March, or just projects that have actually started, and how is started to be defined? What of projects started after exit? How are those to be administered?

We have been promised that funding for all projects up to 2020 is guaranteed and that projects will continue to be signed under the same terms until 2020. What we have not been told is anything about how these projects are to be run, how decisions are to be made and how funding is to be allocated. According to the instrument, these frameworks are still being drawn up. It states merely that delivery frameworks for future projects will be

“based on the pre-exit framework and the same investment priorities as have been applied for existing Structural Fund projects.”

Who will make these decisions, and how do the Government intend to replace EU structural funding in the longer term?

The Government have committed to a successor fund—the shared prosperity fund—and to holding a consultation on that fund by the end of 2018. In case the Minister

has not noticed, it is now 2019. We are just 38 days away from 29 March, but we have yet to hear a single detail about how that fund is supposed to work. How do the Government plan to replicate the security of the seven-year EU funding period, and how do they intend to administer the shared prosperity fund? The Minister said that that was not within the scope of this statutory instrument, but I think that to give confidence in the ongoing funding and the decisions that the Minister is taking, it is necessary that we understand that there is a strategic vision for what will happen after Brexit.

EU structural and investment funding has traditionally been focused through regional and sub-regional bodies and aligned to regional priority programmes. That has given our local areas a strong degree of direct influence and control over resources and the ability to align them with other local and regional investment—an ability that is all too often missing in relation to central Government funding. Unfortunately, because the coalition Government chose to abolish regional development agencies, the current ESIF programme lost much of that local knowledge. Instead we have a national approach with regional allocations, and leadership and administration of funds moving from regional development agencies to central Government Departments. Despite the committed work of local enterprise partnerships and their partners working in the regions, the loss of regional control over funds has resulted in their being targeted less effectively and subjected to significant delay in approvals and delivery, as well as being less responsive to local needs and aspirations.

How does the Minister intend to make the right decisions for regions, given the lack of regional development authorities? We need clarity; we need details, not just empty promises, because real jobs, businesses and communities are at risk. This Government's continued failure to address regional inequality is the hallmark of a Tory party that places narrow party interests above the good of the country.

The absence of any plans that deal with projects started after exit day and the deafening silence about the shared prosperity fund leave our regional economies in jeopardy. While we are not opposed to the statutory instrument, we want to know how the Government will do more to safeguard the future of our communities. Labour has committed to matching European Union funding for regional development for at least the next decade. Why will the Minister not follow suit? A Labour Government would invest £250 billion in a national transformation fund to meet the infrastructural needs of every part of our country, and create a network of regional development banks to ensure growth in the areas that most need it.

We need a viable plan for sustainable and equitable regional development—one that reflects the needs of the region, one that empowers local people and grows local economies, and one that can guarantee funding for all our communities. It is evidently one that only a Labour Government can provide.

3.42 pm

**Mr Simon Clarke** (Middlesbrough South and East Cleveland) (Con): It is a pleasure to speak in this afternoon's debate and I warmly welcome the statutory instrument, which, as we heard from the Minister, preserves

the effect of structural funds through to the end of the 2014 to 2020 period, whether we have a deal or no deal, in true Noel Edmonds style.

I very much hope that there will be a deal, and I underscore again my commitment to the Brady amendment, on which we voted on 29 January, and the Malthouse compromise, which is attached to that. However, if the EU is not disposed to be reasonable, then as a matter of law we will leave the EU with no deal. It is important and right that we ensure that at that point our law continues to operate and that important funding streams continue to be devoted to addressing the aims for which they have been set up. The EU structural funds are, of course, a very important source of funding.

I have always slightly objected to the concept of EU largesse that is implicit in the concept of structural funds. As the UK is, of course, a net contributor to the European Union, that is in effect our money being washed through the EU institutions back into our country. As we know, in a number of European nations the EU structural funds have been the subject of very considerable abuse over the years, which was one of the drivers of frustration with the EU in the first place.

In our country, where the money is generally well spent, there is nothing to fear. Moreover, once we have left the European Union we will be able to ensure that the money goes to our priorities. Of course, that is why the shared prosperity fund is so important. It is something the Prime Minister spoke about a week before the 2017 general election, in Guisborough in my constituency. She outlined her clear commitment to ensuring that the amount of money devolved through EU regional development funding will be matched by the UK once we have left. We warmly welcome that, because the north-east has been a net beneficiary of that funding, and my goodness, there is a lot that we could be doing with it.

We know that the shared prosperity fund will be used to drive the local industrial strategies that the Government quite rightly want to establish. I think that is working very well, and I am glad that it has not emerged as a continuation of the '70s policy of picking winners. Instead, it is about empowering local devolution to make a real difference in supporting industry.

In the Tees Valley we have a really exciting proposition under our Mayor, Ben Houchen, who has a clear plan for projects such as the South Tees development corporation on the former Redcar steelworks site. Making sure that we have serious, sustained and long-term funding in place for such projects is essential if we are to continue to close the gap between London and the regions. That is something that all of us in this House support, and I am confident that, thanks not least to this SI, we will continue to be able to achieve it. Whether on transport, jobs or education and skills, there is a tremendous amount of work that can be done.

I do not think that there is anything to fear from leaving the framework of the EU and its structural funding. Instead, I think that this is a classic example of how taking back control can work for the benefit of the UK, and indeed of those parts of the UK that voted most heavily to leave in the 2016 referendum. It is worth noting that Teesside voted by two thirds to leave, and in some cases more, so there is real confidence among its population that we should indeed take control of this funding.



[Mr Simon Clarke]

I am optimistic. I am grateful to the Government for putting in place a clear plan to ensure that there is no discontinuity on exit day, however we end up leaving. I am grateful to the Minister, because I know that he and I take a somewhat different view on some aspects of the debate, but he has none the less approached this work with great professionalism. He continues to deliver good, sensible legislation to ensure that, in all circumstances, our country should have nothing to fear.

3.47 pm

**Brendan O'Hara** (Argyll and Bute) (SNP): Like the hon. Member for Newcastle upon Tyne Central (Chi Onwurah), we will not oppose this SI this afternoon, but we do share many of the deep concerns, particularly in relation to what exactly the UK shared prosperity fund will be and what it will mean. Of course, this SI would not be necessary if the Government would simply take the threat of a no-deal Brexit off the table. They could, if they so choose, remove that threat today, but instead they have decided—very cynically, in my opinion—that it is too politically useful to have as a tool in order to bludgeon MPs into supporting a deal that we have already rejected as the clock runs down towards 29 March. However, if the Government insist on preparing for the possibility of a catastrophic no-deal scenario, then yes, this SI does allow for the transfer of regulations in order to ensure the continued roll-out of the European agricultural fund for rural development and the European maritime and fisheries fund. The SI will continue to allow payments until their closure after the end of the current 2014-20 programming period.

It is worth pointing out the huge importance of those funds to communities right across Scotland, particularly in remote and peripheral areas such as my Argyll and Bute constituency. The EU structural funds in Scotland are worth up to €941 million across the EU budget period, for use in economic development. Over £500 million a year comes to Scotland from the common agricultural policy in the form of direct payments to farm businesses and rural development funding. The UK Government have provided short-term guarantees to replace most CAP funding until 2022 following Brexit, but no firm commitments have been given about replacing the CAP in the long term.

**Mr Simon Clarke:** It is important to note that the Agriculture Bill provides for ensuring that environmental incentives are aligned with good practice in agricultural management. I think that hon. Members of all parties want that. It will be a welcome change from the way in which the CAP simply rewarded the largest farmers.

**Brendan O'Hara:** The hon. Gentleman makes the important point that we are discussing the SI before Report stage of the Agriculture Bill. I will come back to that. I do not necessarily defend the way in which the CAP is administered—the way in which every pound is allocated—but it is important to recognise the amount of money and support that the CAP gives UK agriculture, particularly those less favoured area support scheme parts of my west of Scotland constituency.

**Kirsty Blackman** (Aberdeen North) (SNP): My hon. Friend is making a great speech. On the lack of certainty beyond 2022, are not those in farming communities

planning a long way ahead for what they intend to do with their land? Certainty beyond 2022 would help them in their long-term planning for their stewardship role as well as for trying to make money.

**Brendan O'Hara:** My hon. Friend is right that it is vital that our farmers have the ability to plan into the future. At the moment, we enjoy that ability to plan long term, and the fear is that that is being taken away.

The common fisheries policy is co-financed in Scotland through the European maritime and fisheries fund, and Scotland is allocated 44% of the total UK figure, with £42 million—over 80% of the Scottish allocation—already committed to projects. Competitive funds are awarded directly by the European Commission to organisations, and that includes significant research, innovation and education exchange programmes. Since 2014, Scottish organisations have secured €533 million of Horizon 2020 funding, €65 million of Erasmus+ funding and €58 million of European Territorial Cooperation funding. Even since 2016, the European Investment Bank group has signed loans worth €2 billion for projects in Scotland.

These EU-funded programmes represent a vital source of funding to communities right across Scotland, but as I said earlier, they are particularly important to peripheral communities, which are in greater need of support. That is why, when the question was asked in 2016 whether we wished to remain part of the European Union, every single part of Scotland, without exception, urban and rural, said yes to staying in the EU. Our communities knew—and still know—the benefits of being a member of the European Union and the significant difference that that has made to their lives, economically, socially and culturally.

**Alison Thewliss** (Glasgow Central) (SNP): My hon. Friend is making some great points. Is he aware that urban areas such as Glasgow have hugely benefited as well? Since 2010, regional selective assistance grants to businesses in Glasgow have provided more than £83 million of investment and created 7,292 jobs.

**Brendan O'Hara:** It is absolutely remarkable that all 32 Scottish local authority areas—urban and rural, with the vast differences that exist between them—said with one voice that we as a nation wished to remain in the European Union. That cannot and should not be ignored. Its significance cannot be underplayed.

The loss of the funds I listed earlier could be absolutely devastating for our farming and fishing communities. As yet, there are no guarantees about the continuity of these funds beyond 2020. Here we are, a month from Brexit day, and there is still no certainty for our farming and fishing communities as they plan for the future.

**Kirsty Blackman:** My hon. Friend is making a great point about funding. Does he share my concern that these communities will be hit doubly, because there will also be changes to immigration, which may mean they do not have access to labour? Given that some of our areas are suffering from depopulation, which we have worked very hard to counter, does he feel this is a double whammy that rural communities cannot afford?

**Brendan O'Hara:** My hon. Friend may well have been looking over my shoulder, because I was about to come on to that very point.

My constituency of Argyll and Bute is suffering from massive depopulation. We are losing population at a rate that we cannot sustain. We need to get people to come and live, work, invest and raise families in Argyll and Bute, and much of our plan is predicated on EU nationals coming to Argyll and Bute to fulfil that function. We are being denied access not only to funding, but to people. Unless we can find a way of squaring that circle, which I do not think is possible, then I fear for the future. That is why independence, with an independent Scottish Government being represented as an equal partner in the European Union, is without doubt the only way that Scotland is going to prosper.

It has been reported just today that the Environment, Food and Rural Affairs Secretary has told the National Farmers Union, in relation to UK farmers, that

“there is no absolute guarantee that we would be able to continue to export...to the EU”

under a no-deal scenario. This is the chaos into which we have descended.

As has been said, the UK Government have of course promised to replace EU funds with a much-vaunted UK shared prosperity fund, but despite all the repeated promises, still no detail or definition has been given about how that new structure will operate. May I ask the Minister when we will find out the detail of this shared prosperity fund, and when will we know exactly what it will mean for people across the UK, including for people in my Argyll and Bute constituency?

Will the Minister tell me, post-2020, when the cycle of these current EU funds comes to an end, how the proposed new system will operate? What consent and control will the devolved Administrations have in relation to this future funding model? What consultation has been carried out to ensure that this new system will have the consent of and remain consistent with the devolution settlement? Will he explain why, as I said to the hon. Member for Middlesbrough South and East Cleveland (Mr Clarke), this statutory instrument has come to the Floor of the House before the Agriculture Bill and the Fisheries Bill have even reached their Report stages in this place?

Given that the President of the European Commission has promised to support Irish farmers financially in the event of a no-deal Brexit, why have the UK Government not offered similar support to Scottish farmers? Finally, does the Minister agree that so much of this worry, angst and trauma we are being put through and putting other people through could all be prevented if the Government simply took no deal off the table?

3.58 pm

**Matt Warman** (Boston and Skegness) (Con): I will not detain the House long, but I want to speak in support of this SI, which secures funding that is vital for some projects in my constituency. Overall, £41 million comes to Lincolnshire, of which about £500,000 is helping to secure a project that protects large amounts of farmland from flooding. This is an important measure from a Government who are taking sensible steps.

The broader but not lengthy point I seek to make is that while money did come back to Lincolnshire, the fact that Britain was a net overall contributor to the EU does mean that, when we set up the funds the Minister spoke about post our exit from the European Union,

that will give us the opportunity to do two things. The first is to redress some of the regional imbalances mentioned by my hon. Friend the Member for Middlesbrough South and East Cleveland (Mr Clarke), which have a particularly extreme effect on regions such as Lincolnshire. However, I hope it will also give us a much more serious opportunity to win the argument around funding and what the Government are doing to seek to address regional imbalances. That is an argument the EU totally failed to win or even engage in, which is in many ways why, in a constituency such as mine, even when money came back to Lincolnshire from the EU, we saw no great love for the European Union. That was of course reflected, as it was in Middlesbrough South and East Cleveland, in the referendum result.

I therefore hope that the Government, in establishing these new funds, will seize the opportunity not only to redress these imbalances, which is very real work, but to get an advantage from being seen to do what all good Governments should do, which is to move some of these opportunities around the country—in my case, away from the south-east and into Lincolnshire. That is good, sensible work and good, sensible economics, and it will allow us to improve productivity and to grow our thriving agricultural economy.

However, that also needs to be sold to the public. As I said, the European Union encouraged huge antipathy for the European project, and we have enough trouble with people holding politicians in this place in contempt, so we need to sell the work we do to redistribute that money. That will go far further than investing in sensible infrastructure projects such as the drainage project I referred to, and will allow people to see that we do fundamentally good work in this place that addresses things our constituents want done. Ultimately, that is about not just economics but good democracy, which is why I will be supporting this SI.

4.1 pm

**Richard Harrington:** Welcome to the Chair, Mr Deputy Speaker. As I explained to the Speaker, this is the first SI that I have done in the Chamber, and I had not realised that this would be a general debate on the European Union. Most Members' views on that subject are quite clear—many of us share the same views, while some of us disagree—but for the purpose of this statutory instrument, I will try to answer some of the questions people asked about the specifics, if that is acceptable to you.

My right hon. Friend the Member for Wokingham (John Redwood) asked how the funds for the Peace and Interreg V-A programmes would be calculated—those are the funds our country would have to pay to the EU to get back. I can confirm that the UK would pay its full share of the Peace and Interreg V-A programmes, including—this is what he wanted to know—the administrative costs. If he would like further detail, I would be very pleased to try to answer more detailed questions.

I thank the shadow Minister for supporting the gist of the statutory instrument. She asked me quite a lot of questions, which I shall do my best to answer. A lot of them were to do with her views on regional inequality generally, which is slightly wider than the scope of this statutory instrument. However, I must say that I absolutely

[Richard Harrington]

agree with her, having been brought up myself in the north of England and in a country where government was very centralised.

When I was doing my A-levels, I went to visit—I think this was in her constituency, but it was probably a long time before she was born—[*Laughter.*] One has to do one's best to soften up the Opposition a bit, but that was actually true in her case. However, when I was a school student, I went up to visit the local National Economic Development Council, which was an offshoot of the Government. Well-meaning civil servants tried to give people Government money to, basically, invest in companies in the region. We were also shown the devastation caused by the end of mining and other things. That should be very familiar to the hon. Lady, and it is also familiar to me, coming as I do from Yorkshire.

Successive Governments—Labour and Conservative—have tried their best to deal with that issue. In some cases, they did that by pretending that the Government should not have an industrial development policy, which I have no truck with at all. Following that, there was a more centralised approach by the Labour Government, with the best intentions. Then there were different attempts to devolve, either through legislation, as in the case of the Scottish and Welsh authorities, or through regional policy, which I very much support, to try to have local delivery mechanisms. Local mayors are a very good example of that—irrespective of political party, the structure is a very good way to try to address the imbalance—alongside local enterprise partnerships and the northern powerhouse initiative.

The Opposition argue that that is fine, but a lot more money needs to go into the machine in the first place. That is always arguable: Oppositions always say they want to spend more money and Governments of whatever complexion say that they have to find the money from somewhere. Those are well-rehearsed arguments, but I would like to place on record that I fundamentally agree with the point, which was very well made, that devolution and more money to regions are absolutely vital.

The shared prosperity fund will invest in the foundations of productivity, as set out in our industrial strategy, to support people to benefit from economic prosperity. I fully accept that the Opposition and many other hon. Members—not just Members here today—want to know what it will look like. The written ministerial statement in July stated clearly that the fund is designed to tackle inequalities between communities, especially in those parts of the country whose economies are furthest behind. The hon. Member for Argyll and Bute (Brendan O'Hara) argued that case very well. I will address some of his more specific points in a moment, but that point was very well made. The fund is there to invest in the foundations of productivity, which we put in our industrial strategy document: ideas, people, infrastructure, place and a business environment. It will be an integrated, simplified fund that operates throughout the UK, not with centralised decisions.

What are the Government going to do now? I accept the Opposition's point, but it is always difficult if you are in government. You have to consult everyone and form an actual policy, otherwise one gets criticised—not you, Mr Deputy Speaker; you would not be criticised at

all. Unless the Government consult they get criticised, through legal challenges and so on, for not consulting properly. There will be a proper consultation shortly to recognise that there are a lot of interested parties with different opportunities. It will inform our decisions on the composition of the shared prosperity fund, which will be taken at the spending review later this year.

I would like to set the record straight: the shared prosperity fund will respect the devolved settlements. We have made it very clear that we will continue to work in partnership with the devolved Administrations to ensure that the fund works for all places across the Union.

There have been calls for clarity and we are working on that. The Government are holding engagement events with stakeholders from a variety of sectors across the country, including devolved authorities. We have to discuss the lessons of the past and learn from them, as well as potential investment priorities. I believe that next year, when the spending review consultation takes place, we will be able to move a lot more quickly.

The Government have guaranteed funding for all structural fund projects signed before exit in the event of a no deal. The guarantee can also be used to fund projects started after exit. This will protect beneficiaries under the settlement and regional investment will continue as planned.

My hon. Friend the Member for Middlesbrough South and East Cleveland (Mr Clarke) has said on a number of occasions, with his usual dignity and tact, that we disagree on certain matters. However, one thing that I absolutely agree on is the way he works so diligently to push the interests of his constituents and the importance of regional plans. He mentioned Mayor Ben Houchen and others. I really think that this is a model for the future. Whatever one's views on other subjects—again, I apologise for talking about your views, Mr Deputy Speaker—I think everyone agrees that Middlesbrough South and East Cleveland could not have a better Member of Parliament representing its interests. He reiterated the importance of the shared prosperity fund to his constituency.

The hon. Member for Argyll and Bute, the SNP spokesman, also gave his views on Brexit generally. Rather than rehearsing those arguments, I would like to talk specifically on the point he mentioned about why the Government are taking a different approach in this statutory instrument to the agriculture and fishery funds. The European agricultural fund for rural development and the European maritime and fisheries fund share some regulations in common with structural funds, but this SI makes provisions only for the structural funds. There is a separate SI for the agricultural and fisheries funds, which will retain and amend the EU regulations in so far as they apply to those funds. That is why they are being treated differently, unlike the European regional development and the European social funds. He asked why this is happening before the Report stage of the Agriculture Bill. It is because this SI is designed to address structural funds. The DEFRA SI will deal with the agricultural fund, which this is not related to.

Finally, I commend the speech from my hon. Friend the Member for Boston and Skegness (Matt Warman) and thank him for his support. He made the excellent point—often not made in this House—that the distribution of funds should come with love as well as money. I am



sure that he could be in charge of love in his constituency—actually, I am sure he is doing that very well at the moment. I have tried my best to answer the questions that were asked, and I commend this SI to the House.

*Question put and agreed to.*

*Resolved,*

That the draft European Structural and Investment Funds Common Provisions and Common Provision Rules etc. (Amendment) (EU Exit) Regulations 2019, which were laid before this House on 28 January, be approved.

## Terms and Conditions of Employment

4.11 pm

**The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Kelly Tolhurst):** I beg to move,

That the draft National Minimum Wage (Amendment) Regulations 2019, which were laid before this House on 28 January, be approved.

The Government want fair employment for all. Through our industrial strategy, we committed to boosting productivity and increasing earning power across the country. The way in which people work is changing, thanks to new technology and new employment models. We need to ensure that the labour market continues to work for everyone.

In December, we published the “Good Work Plan”, which sets out the biggest package of workplace reforms in over 20 years. This includes our vision for the future of the labour market and our ambitious plan for implementing the Taylor review recommendations. The important package will ensure that workers have access to the rights and protections that they deserve. It will also create a level playing field for employers, ensuring that responsible employers are not undercut by a small minority who seek to circumvent the law.

The national minimum wage and the national living wage are crucial to those commitments. They help to protect the lowest paid in our society. We can be proud of our labour market. Our employment rate of 75.8% is the highest since comparable records began in 1971. Unemployment is down to 4%. Since 2010, the national minimum wage has increased faster than average wages and inflation, meaning more money for the lowest-paid workers while employment continues to increase. This success means that we can continue to increase the rates above inflation. We will continue to work towards our target of the national living wage reaching 60% of median earnings by 2020, subject to sustained economic growth.

**Andrew Griffiths (Burton) (Con):** The Minister is doing a brilliant job as the Minister responsible not only for small business but for the labour market. I was lucky enough to be the Minister when we brought forward the biggest increase in the national minimum wage for 10 years. Does she agree that the greatest beneficiaries of that are women in the workplace who tend to be the lowest earners, and that our actions in increasing the minimum wage on the scale that we have has gone a long way towards helping to reduce the gender pay gap?

**Kelly Tolhurst:** I thank my hon. Friend, my predecessor, for making those comments on what the Government have undertaken over recent years to increase wages for the lowest-paid workers. I agree with him that what we have done to increase the rate of pay for the lowest-paid workers has supported women in the workplace and has been able to help to reduce the gender pay gap. We also have other programmes coming forward, including our consultation on mandatory ethnicity pay reporting, which we will say more about soon.

The regulations will increase the rates of the national minimum wage and national living wage from 1 April. We estimate that this will lead to a pay rise for more

[*Kelly Tolhurst*]

than 2.1 million workers. I would like to place on the record my gratitude for the work of the independent Low Pay Commission, which recommends the rates, bringing together the views of businesses and workers, using research and analysis to inform its work and reaching a consensus on what the rates should be. I am delighted to say we have accepted all its recommendations for the increases to the rates from 1 April.

The regulations will increase the national living wage for those aged 25 by 38p to £8.21. This is an above-inflation increase of 4.9% and means a pay rise for a full-time worker of more than £690 a year.

**Andrew Griffiths:** May I too commend the work of Bryan Sanderson from the Low Pay Commission and his team? Given that he manages to bring together unions, labour market experts and businesses and get them to agree, does the Minister think we should get him involved in our European Brexit negotiations?

**Kelly Tolhurst:** I thank my hon. Friend for pointing out the good work of the Low Pay Commission and how it brings people together to come up with balanced proposals, such as those before us today, which the Government have accepted.

The regulations mean that a full-time worker will be more than £2,750 better off next year compared with the year the national living wage was introduced. The regulations also increase the rates for younger workers and apprentices. Those aged between 21 and 24 will be entitled to a minimum hourly rate of £7.70, which is a 32p increase; workers aged between 18 and 20 will receive an extra 25p an hour, taking their rate to £6.15; 16 to 17-year-olds will earn at least £4.35 an hour—a 15p increase; and apprentices aged under 19 and those in the first year of their apprenticeship will receive the largest percentage increase of 5.4%, meaning an hourly rate of £3.19.

**Alison Thewliss** (Glasgow Central) (SNP): Does the Minister appreciate that that is not even enough to buy a Freddo?

**Kelly Tolhurst:** I point out to the hon. Lady that we are talking about the apprentice rate.

The regulations will also change the amount employers can charge workers for accommodation without it affecting their pay for national minimum wage purposes. From April, this will increase to £7 per day.

Changing the law is the first step, but we also need to make sure all workers know they are entitled to the national minimum wage and that all employers know they must pay it. The Government run an annual campaign to increase awareness of the national minimum wage and the national living wage. Last year, we spent £1.48 million reaching workers and employers through posters and billboards as well as digital and online channels. We know that most businesses are good employers and pay at least the national minimum wage, but where non-compliance exists the Government will step in and make sure that money is recovered on behalf of workers.

Since 2015, we have doubled our investment in enforcement of the regulations to more than £26 million per year. More than 420 staff in Her Majesty's Revenue

and Customs are involved in the enforcement of the national minimum wage, and they follow up every worker complaint they receive. HMRC also conducts pro-active, risk-based enforcement in sectors or areas with a higher risk of workers not being paid the legal minimum wage, including those identified by the director of labour market enforcement. In this work, it co-operates with other labour market enforcement bodies to share information and conduct joint operations where that makes sense for businesses and workers.

**Mike Wood** (Dudley South) (Con): When businesses are repeatedly found to have breached national minimum wage regulations, will the Minister ensure that HMRC proactively investigates other cases of staff employed on similar terms and with similar contracts, rather than requiring each employee to demonstrate separately that he or she has been underpaid?

**Kelly Tolhurst:** I assure my hon. Friend that we take HMRC's enforcement of the national minimum wage very seriously. There are many actions that we can take when people breach the law and do not pay the minimum wage. We will prosecute companies that are found not to be paying it, but our priority remains ensuring that workers who have been underpaid receive the arrears owed to them, and in such cases companies must also pay a penalty. We are committed to the enforcement of the minimum wage, which is why we have doubled our expenditure on it.

**Chris Stephens** (Glasgow South West) (SNP): How many people are currently employed in HMRC's national minimum wage compliance unit, and how does that number compare with, for example, the number employed in the Department for Work and Pensions to chase social security fraud?

**Kelly Tolhurst:** Unfortunately I do not represent the DWP here, so I am unable to make comparisons at the Dispatch Box today. However, as I have just said, 420 staff are involved in enforcement, and we have doubled our spending on it because we are determined to ensure that businesses pay workers what workers are entitled to. We will continue to enforce that where we can.

**Nick Smith** (Blaenau Gwent) (Lab): How many companies have been penalised for breaking the rules on the national minimum wage? How many prosecutions have been brought in the last year?

**Kelly Tolhurst:** There have been 14 prosecutions since the introduction of the minimum wage, and other companies are undergoing investigations. However, as I have said, our priority in regard to enforcement is to ensure that people who have been underpaid receive the arrears to which they are entitled, and the payment of those arrears is matched with a penalty of up to 200%. We can undertake prosecutions, among other actions, but that is our priority.

**Nick Smith:** The Minister replied to my question by saying that there had been 14 prosecutions since the introduction of the national minimum wage, but that was not the question I asked. I asked how many prosecutions there had been in the last year. Could the Minister clarify that, please?

**Kelly Tolhurst:** I will happily try to find some information for the hon. Gentleman. He referred to “the last year”; perhaps he will clarify which part of the year he was referring to, 2019 or 2018. I do not have the year-on-year breakdown, but I have told the hon. Gentleman how many companies have been prosecuted since the national minimum wage was introduced.

We will continue to help businesses to comply by issuing guidance, and through the advisory work of ACAS. Alongside these regulations, new legislation will come into force from April dealing with payslips. Under this, all employers must provide payslips to all workers. If a worker’s pay varies according to time worked, their payslip must show the number of hours worked. This will increase pay transparency and help workers understand and check their pay.

These proposed increases in the national living wage will keep it on target to reach 60% of median earnings by 2020. This Government have an aspiration to end low pay. In his 2018 Budget speech, my right hon. Friend the Chancellor of the Exchequer said that

“we will give the Low Pay Commission a new remit, beyond 2020.”—[*Official Report*, 29 October 2018; Vol. 648, c. 667.]

This will be set out in the Budget 2019. In developing this remit we will engage both with employers and workers to balance the needs of both.

These regulations make sure that the lowest-paid workers are fairly rewarded for their valuable contribution to the economy. The regulations contribute to our commitment to promote a labour market that increases people’s earning power and boosts businesses, and they will give over 2.1 million people a pay rise this year. I therefore commend these regulations to the House.

4.26 pm

**Chi Onwurah** (Newcastle upon Tyne Central) (Lab): In the Labour party’s long history of standing up for working people, the introduction of the national minimum wage in 1998 was a particularly proud moment, and let us never forget that Conservative Members unanimously opposed that introduction.

I want to start by saying that we will not oppose this increase in the minimum wage for working people; any increase in pay for those on the lowest pay is to be welcomed. However, this small rise is entirely insufficient, and is emblematic of a Government who will only do the very barest minimum for working people, and often not even that.

There is a crisis in our country. Millions are struggling to make ends meet. Work is no longer a guarantor of a decent standard of living; indeed, work and poverty are no longer contradictory under this Government. The failed policy of austerity has had a terrible impact on our communities. Years of austerity have bred wage stagnation, which in turn has meant that 4 million workers across the country are living in poverty. Real wages are still almost £15 a week lower than 10 years ago, and they will not recover to those levels until the mid-2020s.

But at the same time, the rich are getting richer and our country gets even more unequal. Top executives are now paid 133 times more than the average worker, which means the salary of the average FTSE chief executive is the same as that of 386 workers on the minimum wage combined.

**Andrew Griffiths:** The hon. Lady is making a very good speech, but does she agree that as a result of the taxation policies of this Government, the richest are paying more tax than ever before, and that by changing the tax rates we have lifted the lowest paid in our society out of paying tax entirely?

**Chi Onwurah:** I thank the hon. Gentleman for his intervention, but it does show a lack of understanding of the economic realities in our country. The richest are not paying their fair share; the poorest are paying more in tax, particularly through that most unequal and unprogressive of taxes, value added tax, which the coalition Government immediately raised when they came into power. So the poorest in our country are being taxed more and the richest are not bearing their share of the burden.

**Andrew Griffiths:** The hon. Lady mentioned VAT. Is it her party’s policy to lower VAT, should it ever come into power?

**Daniel Zeichner** (Cambridge) (Lab): Wait and see!

**Chi Onwurah:** As one of my colleagues helpfully says, the hon. Gentleman must wait and see. In our 2017 manifesto, we set out our fully funded taxation and spending policy. The hon. Gentleman needs to recognise that a fairer taxation policy would not only enable us to fund our public services better but ensure that our economy was growing and that the growth was shared by all those who contributed to it, unlike what is happening at the moment. Last month, we learned that household debt was at its highest rate ever. Many people are reliant on borrowing, not for luxuries but for essentials such as putting food on the table for their children, and food bank use has skyrocketed.

**Mike Kane** (Wythenshawe and Sale East) (Lab): My hon. Friend is making a powerful case. Our 2017 manifesto was fully costed and full of figures, but the only figures in the Conservative manifesto were the page numbers. According to the StepChange charity, 3,500 families containing 5,000 children in my constituency are in toxic debt, owing about £14.5 million. Does she agree that this is because of eight years of austerity?

**Chi Onwurah:** My hon. Friend makes an excellent point. The burden of debt has been shifted. We still have our public debt, but the burden has been shifted on to our poorest families. The national figures for debt are a matter of great concern for our future economic stability. As a consequence, food bank use has skyrocketed, with wages no longer covering basic living costs. In my constituency, Newcastle’s West End food bank is the largest in the country. That is not an achievement of which we are proud, but we are proud of the generous Geordies who take on the role that this Government have abandoned in feeding the most vulnerable among us.

We know that 5.2 million people are trapped in low pay, and small single-figure percentage increases in the legal minimum wage will not put an end to this misery. Shockingly, one in four employees earning the minimum wage for five years have been unable to move out of that low pay, which is the highest figure since records began.



[*Chi Onwurah*]

Low pay is becoming a trap, and the workers least likely to escape the low pay trap are those in the north-east and women. They are being trapped by the lack of action from this Government. Will the Minister admit that, under the Tories, low pay means that work is not a protection against poverty? I want to make it clear that, despite its name, the Government's minimum living wage is not a real living wage. The small increase that this statutory instrument introduces will not make it a real living wage. More than 5 million people are paid less than the living wage—a huge increase from the 3.4 million people in 2009.

**Mike Wood:** The shadow Minister refers to small increases in the minimum wage. An increase of 38p in the national minimum wage is now being introduced. Can she tell the House in how many of the 10 years after the introduction of the national minimum wage the Labour Government made a bigger increase than the 38p that workers will see under this increase?

**Chi Onwurah:** When we introduced the national minimum wage, it was a transformative change for the pay of so many low-paid people, and our commitment to a real living wage of £10 an hour will also be transformative for working people.

Research by the Living Wage Foundation, which the hon. Gentleman might be interested in, revealed that one in five workers—more than 5 million people—is paid less than the living wage, which is a huge increase from 3.4 million in 2009. In Newcastle, 30% of workers who live there and 20% of those who work there are paid less than the real living wage. In the north-east, around 238,000 jobs are not paid the living wage. I am therefore particularly proud that, despite having its budget halved by reckless Tory austerity over the past decade, in January Newcastle City Council renewed its commitment to pay all staff the real living wage. After a decade of imposing austerity, this Government will still not give workers a real living wage. Will the Minister tell me why the Government will not follow Newcastle City Council's example and raise the minimum wage to a real living wage?

The Minister said that she does not represent the Department for Work and Pensions, but she does represent the Department for Business, Energy and Industrial Strategy, which is not paying the London living wage to all its staff. Will the Minister confirm the number of employees who are not receiving the London living wage? Will she explain how we can have confidence in her ability to enforce even the national minimum wage when her own staff are striking due to the lack of a decent wage from the Government of the day?

**Chris Stephens:** The shadow Minister makes an important point. UK Departments are not complying with the London living wage, and people are taking industrial action. Does she agree that that needs sorting out today?

**Chi Onwurah:** The hon. Gentleman is absolutely right. A Government who cannot even guarantee a decent wage to their own employees should not be able to speak in this debate. I hope that the Minister will clarify

the points that I have raised and confirm that a real London living wage will be paid to the Government's employees. It is totally within their ability to do so.

The increase in the minimum wage will be of some help to the lowest paid, but it will not be transformative. It will not tackle extreme and growing levels of inequality, and it will certainly not end the growing levels of in-work poverty faced by millions. Even if it was a sufficient safety net, the minimum wage would not catch all workers. With the growing gig economy forcing more and more workers into sham self-employment, it is more important than ever that every worker is paid a decent living wage. However, the minimum wage does not cover self-employment, and TUC figures show that almost half of self-employed people earn less than the minimum wage, meaning that 2 million self-employed workers are now stuck on poverty pay. Does the Minister think that that is acceptable? What is she doing to address poverty pay among the self-employed?

Another glaring inconsistency is the huge discrepancy in the minimum wage for people over 21 and for those aged 18 to 20. Will the Minister set out why the Government believe that workers aged 18 to 20 should be paid a far lower rate than those aged 21 for exactly the same work? Why is the adult rate for under 25s less than for those over 25? What is it about a 24-year-old doing exactly the same work as a 26-year-old that leads the Minister to believe the former deserves less?

**Layla Moran** (Oxford West and Abingdon) (LD): Does the hon. Lady agree that the anger felt by young people is palpable? The message that the Government are sending is, "By being younger, you're not worth as much as someone who is older than you." What kind of message is that for young people?

**Chi Onwurah:** The hon. Lady makes an excellent point. What message is being sent to the under-25s about their contribution to our economy? They are exactly the people whose confidence and contribution we need to promote, especially during these difficult times.

In its latest report, the Low Pay Commission found that more than 200,000 workers were underpaid by a cumulative total of £15.6 million last year. From 2017, measured underpayment for those aged 25 and over increased to 23% of all those covered by the national living wage. Does the Minister agree that is simply not good enough?

Labour will stand up for workers against unscrupulous employers by properly resourcing Her Majesty's Revenue and Customs, which is critical to enforcement, and will strengthen the enforcement of labour laws. We will crack down on employers that breach labour market rights and regulations through increased fines and sanctions.

Labour is committed to making work pay, which is why we will ensure a real living wage of at least £10 an hour for all workers aged 18 and over. There is no justification for differential rates based on age. Increasing wages, particularly for the lowest paid, would not only immediately help those workers and their families but would increase demand in our economy and reduce the subsidising of low pay by the state. Given the Government's chaotic handling of Brexit and the perilous state of our

economy as a consequence, does the Minister agree that the economic benefits that a significant increase in the living wage would create are desperately needed?

It is important that the state sets a minimum rate of pay based on the Low Pay Commission's recommendations, but state minimums are just one part of the solution to low pay. Trade unions are the collective voice of workers and are best placed to bargain over what workers are paid, within a negotiating framework that includes employers. Does the Minister agree that it would be far better if workers had a direct voice in the setting of their pay through, for example, national sectoral collective bargaining?

Workers in this country deserve far better than this Government are offering, and they deserve far better than this Government. That is why Labour will set up a new Department to roll out sectoral collective bargaining, protect the interests of workers and strengthen trade unions, introducing new rights and freedoms so that every worker gets the support, security and pay at work they deserve. This Government are clearly incapable of doing that, but I hope the Minister will at least be able to answer my questions.

4.43 pm

**Gillian Keegan** (Chichester) (Con): I am pleased to see the national living wage and the national minimum wage continue to increase and support the lowest paid. Those on the minimum wage often have the hardest jobs, and those jobs are vital to our daily lives. Carers are just one example; many of us who have a cared-for relative know just how demanding and invaluable—indeed, priceless—such work is. We need to make sure that carers and many on the minimum wage are properly rewarded for their work, as everybody should be. The Government have made some promising steps, with net wages for people on the minimum wage increasing by 39% since 2010.

It is estimated that 2,600 people in Chichester are on either the national living wage or the national minimum wage, and they are all set to benefit from the above-inflation increases to their hourly rate. They represent about 6% of the local workforce, and Chichester chamber of commerce and industry has welcomed the Government's acceptance of the Low Pay Commission's recommendations. The CCCI has said that Chichester businesses want to recruit the very best employees, and this needs to come with a decent wage. I completely agree. I am encouraged by the fact that the CCCI does not foresee any adverse effects on local businesses from the proposed increases.

I am not saying that raising the minimum age alone is the silver bullet, but the proposed increases mean that the earnings of a full-time minimum wage worker will increase by more than £2,750 annually from next year—that represents a number of Freddo bars. That good news comes on top of other Government measures, such as increases to the personal tax allowance.

I also celebrate the 20p increase to the hourly rate for an apprentice, which represents by far the biggest proposed increase—a 5.4% rise on current rates. That will be a welcome boost to the pockets of the 540 people who started an apprenticeship this year in Chichester, although we should not forget that this is a minimum wage and many people pay apprentices above the minimum wage. I was an apprentice at 16, more than 30 years ago, when the Labour policy was not to pay me the same minimum

wage as someone aged 50. It seems that that could be the policy Labour is about to introduce, according to their Front Benchers. In addition, apprentices are getting valuable new skills, which are sponsored and paid for by their employers. As a newly appointed apprenticeship ambassador, and with National Apprenticeship Week coming up, let me use this opportunity to say that, along with learning the necessary skills, this increase will be one of the benefits of taking the apprenticeship route into the workplace. I will be welcoming that.

Unemployment is at an all-time low under this Government. Only 1.2% of people in Chichester are unemployed, so the jobcentre's aim to get everybody a job, then get them a better job and then move them into a career is a realistic ambition. The minimum wage will help along that journey, so I welcome the proposed increases and I am pleased that we are on our way to making the national living wage reach 60% of median income by 2020. Hard-working people deserve an income that reflects their importance to our economy and the services we rely on daily. We all want to make sure that work pays, and I think these inflation-beating increases are a good step in making that a realistic prospect.

4.47 pm

**Chris Stephens** (Glasgow South West) (SNP): This is my first statutory instrument debate in the Chamber, and it is a pleasure to see you in the Chair, Mr Deputy Speaker. It is also a pleasure to follow the hon. Member for Chichester (Gillian Keegan).

When we are in this Chamber, I am sure there is always a moment when we ask ourselves whether the party of the establishment actually has a clue about what happens in real life. That moment was revealed today when my hon. Friend the Member for Glasgow Central (Alison Thewliss) pointed out to the Minister that one of the increases in the minimum wage rate was the price of a Freddo bar, and we saw that some Government Members did not know what a Freddo bar was. The Prime Minister's Parliamentary Private Secretary—I did tell him I was going to mention him—was shouting from a sedentary position that he thought the price of a Freddo bar was 10p. What chance does the country have if someone who has advised the Prime Minister does not know the exact price of a Freddo bar? Perhaps the Library might want to do some research on the minimum wage rates we would be presented with today if the minimum wage rate had increased at the same rate as the price of the Freddo bar. I suggest that the rates would be higher than what the Government are presenting today.

**Mike Wood:** Clearly, one does not get a fine figure such as mine without knowing precisely the price of a range of chocolate bars. I am sure the hon. Gentleman will be aware, as I am from having young children, that as recently as last month Freddo bars were indeed 10p in Tesco.

**Chris Stephens:** It seems unlikely—perhaps we will ask for photographic evidence from the hon. Gentleman of the price of a Freddo bar, or make that a competition for Members of Parliament this weekend.

Statutory minimum wage rates are important because in some sectors of the economy the statutory minimum rate actually becomes the maximum wage rate. It is

[Chris Stephens]

important that statutory minimum wage rates are enforced properly. In answer to a question, the Minister notified me that the national minimum wage compliance unit has hired 420 staff to enforce national minimum wage compliance across these islands. There are 4,754 full-time equivalent posts for staff to chase social security fraud. Yet we know that more than 200,000 workers are not paid the proper statutory wage. That is an absolutely scandalous figure that needs to be addressed, so I hope the Minister can tell us what plans the national minimum wage compliance unit has to hire additional staff to correct the current situation and to ensure that the national minimum wage rates are enforced properly, so that in the future we do not have more than 200,000 workers being paid incorrectly.

The Minister mentioned the “Good Work Plan”. It is certainly the view of SNP Members that it does not go far enough. In fact, the Minister should just pick up the Workers (Definition and Rights) Bill that I have introduced and take that forward, as it would give workers far better protection. My Bill would sort out the status of a worker, eliminate zero-hours contracts, provide protection for wages if a company ceases to trade or a company owner absconds, and deal with the increasingly common workplace situation in which workers turn up at work and are subjected to short-notice shift changes, in some cases being told, “We don’t need you today,” but in others being told, “You’re going to be working far more hours than we said when you turned up to work.” When does the Minister expect the statutory instruments relating to the “Good Work Plan” to come before the House? Will they be debated in the Chamber, like these regulations?

We welcome any increase, but these measures do not go far enough. Indeed, the Government are not dealing with age discrimination in minimum wage rates, which must end. Young people are being denied a real living wage—not the pretend living wage—of £9 an hour, or £10.55 in London. I agree with the shadow Minister that UK Government Departments should be paying the London living wage. The fact that they are not is a disgrace.

Let us look at the percentage increases: for over 25s the increase is 4.9%; for 21 to 24-year-olds the increase is smaller, at 4.3%; for 18 to 20-year-olds the increase is 4.2%; and for 16 and 17-year-olds it is 3.6%. The apprentice rate is going up by 21p an hour, which will be scant consolation to those women born in the 1950s whom the Government keep telling they should take up apprenticeships as opposed to fighting for their pensions. They would get an apprenticeship rate of £3.90 an hour. Will the Minister tell us when this age discrimination is going to end? Does she not accept that 21 to 24-year-olds often have the same responsibilities, payment demands and bills as those who are 25 and over?

Why was the age of 25 picked for the pretend living wage? We have never had a proper explanation of why it applies to those aged 25 or over, which seems to me to be a particularly ludicrous position. I remember the arguments that we used to use when I served on the Unison Scottish young members committee not that long ago. We argued a rather sensible position: if two individuals both work at a fast food restaurant flipping hamburgers and one is 17 and the other 37, they are both active participants in the labour market, yet the

difference in pay as a result of the regulations is as much as £3.84 an hour. For an eight-hour shift the pay difference would be £30 a shift, and as much as £150 a week. It really is time for this age discrimination to end, and I look forward to the Minister telling us when that will happen.

4.54 pm

**Alison Thewliss** (Glasgow Central) (SNP): I know that many Members across this House share my concern that Brexit and the removal of hard-won EU legislation will mean a race to the bottom for workers’ rights in the UK. In that respect, it is at least a little bit encouraging to see a commitment to continuing to increase minimum wages; however, as I have said time and again in this place, it does not go nearly far enough. The UK Government’s pretend living wage is not enough to live on. The real living wage, as calculated by the Living Wage Foundation, is set at £9 an hour, or £10.55 an hour in London; the pretend living wage falls short of that. For those of us who want a highly educated, highly skilled, high-wage economy, it continues to be extremely disappointing that the UK Government choose not to increase the minimum wage to a level people can actually live on.

High wages are linked to increased productivity—an issue the UK has struggled with for many, many years—increased staff retention and higher standards of workers. A substantial increase in wages is not a choice between acting in the interests of businesses and acting in the interests of employees; it is entirely possible to cover both. The attitude that I am hearing from Government Members is that the national living wage falls short of a real living wage, but we should celebrate it anyway because it represents a pay rise for working people. That shows a real lack of aspiration on the part of the UK Government—a Government who claim that they want to help people work their way out of poverty but whose actions fail those people time and again.

If this UK Government really wanted people to work their way out of poverty, they would be investing in our labour markets, increasing the powers of trade unions and improving the rights of those in insecure work. They are presiding over one of the lowest rates of real wage growth among the advanced nations of the G20. Andy Haldane at the Bank of England has described the past 10 years as “a lost decade” for workers, and the measures today will do very little to address that problem.

As things stand, the Chancellor is giving with one hand and taking away with the other. For those at the lower end of the income scale, the proposed increase in the minimum wage does not even offset the impact of the benefits freeze. I and my hon. Friends have consistently called for an end to the benefits freeze, which is a pay cut by stealth for some of the lowest earning people in this country. We welcome the Labour party’s commitment to scrap it, even if it did not feature in its 2017 manifesto.

The age pay gap is the income inequality that the national minimum wage policy creates between age groups. The Department for Business, Energy and Industrial Strategy impact assessment on the policy explicitly states that the purpose of a lower minimum wage for under 25s is to

“maximise the wages of low paid younger workers, without damaging their employment prospects.”



It also says that the Government asked the Low Pay Commission to recommend separate national minimum wage rates

“by age band (16-17, 18-20 year olds, and 21-24 year olds).”

There is no real evidence to justify why that is necessary. It is insulting to young people in my constituency and across these islands to say that employers would not want them if they had to be paid a fair wage; quite apart from that, it entices employers to make hiring decisions based on age, encouraging unscrupulous employers to break the law.

Make no mistake, this is state-sponsored age discrimination. In the impact assessment, the public sector equality duty sets out that the Government must “eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act”.

It goes on:

“The protected characteristics consist of nine groups: age, race, gender, disability, religion or belief, sexual orientation, gender reassignment, pregnancy and maternity, marriage and civil partnership.”

If women were to be paid less than men, that would be against the law because gender is one of the protected characteristics; mysteriously, however, this impact assessment does not extend to age. I would really like to see some smart lawyer take a legal challenge against the Government, because there is clear discrimination in the terms of this statutory instrument on the basis of age alone. There is no justifiable reason for this policy.

To compound matters further, the proposal that we are discussing today will increase the pay gap between age groups. The uprating that will result from the regulations means that 24-year-olds could earn £90 less a month than 25-year-olds for exactly the same job, amounting to a difference of more than £1,000 a year. The gap would increase even further within the under-25 age groups, making it even harder for young people to get by. Since the measure was brought in in 2016, 18 to 20-year-olds have seen the age pay gap between themselves and someone on the higher rate go from £1.90 to £2.06; 16 and 17-year-olds have seen it rise from £3.33 to £3.86—that gap between the highest wage and all that they are legally entitled to be paid—and for apprentices, the gap has gone from £3.90 to £4.31. No justification is given in the impact assessment for that state-sponsored age discrimination.

If I were to suggest that Members of Parliament—an MP born in 1973, perhaps, like my hon. Friend the Member for Glasgow South West (Chris Stephens), or an MP born in 1978, like the Minister, or myself, born in 1982—were to be paid different rates depending on age, I cannot imagine any MP in the House signing up to that. Why should young people face the discrimination in law that the Government are proposing today?

**Gillian Keegan:** I am listening carefully. Having started my working life aged 16 as an apprentice, I would not expect to get the same minimum wage at 16 as I would starting in a new job when I was 20, 30 or 40. Surely there is some recognition that experience comes with age, even if it is not always experience in the workplace. I think that perhaps people when they are older might expect to see a differential to reflect their experience.

**Alison Thewliss:** The hon. Lady misses her own point, because the regulations are not called “The National Experience Wage (Amendment) Regulations”. The regulations discriminate

by age alone, not by experience, so if the hon. Lady, as a 16-year-old, walked into a job on the same day as someone who was 25, she would not be legally entitled to the same wage. The 25-year-old would have no more experience in that job, regardless of their experience in life. There might be 20 or 16-year-olds who are far more savvy on the first day in the job than a 25-year-old, or a 45-year-old, or a 65-year-old. We are not measuring experience here.

**Mike Wood:** Surely the hon. Lady acknowledges the Low Pay Commission’s conclusion:

“In light of this evidence we concluded when thinking about the pay floor for this age group, that it could not currently be set to the same level as the national living wage without risks to employment.”

**Alison Thewliss:** That was exactly the type of comment that the Conservatives made when the national minimum wage was introduced—that it would risk people’s employment. That has not been the case. The impact assessment says that the Government asked the Low Pay Commission to set the national minimum wage at these levels. The Government have instructed the Low Pay Commission to do this. That is quite different, and I do not buy the hon. Gentleman’s arguments at all.

The gap amounts to a difference of thousands of pounds in the take-home pay of a 16-year-old, an 18-year-old, a 21-year-old and a 25-year-old, and it is completely unjustifiable, because this is not about experience, as I said. It does not say that in the regulations; they specify the age, and age alone.

I shall quote from the excellent report by the Young Women’s Trust, called “Paid Less Worth Less?”, which I commend to the Minister. Shanae, who is 24, said:

“A 25 year-old starting out on their first job and just entering the workplace would have the same experience as a 16 year-old who is also just starting out. If companies want to pay based on experience, then that should be reflected in what they choose to pay people. But that’s different from paying us on our age.”

She is absolutely correct.

At 25 or younger, many people have families of their own to support and their own responsibilities, and in the research by the Young Women’s Trust, Tia mentions her circumstances specifically. She says:

“I am a care-leaver and I have lived independently since I was 17, so that makes my costs exactly the same as maybe like a 30 year-old who is living in a private rented flat. You have bills to pay like any other adult. Everyone gets hungry. Everyone has to pay for gas, electrics, toiletries, clothes and food. It still adds up the same. So I don’t see why there should be a pay difference.”

I do not see why there should be a pay difference either. It is completely unjustifiable.

Young people have to pay the same amount as somebody over 25 for rent, for getting the bus to work, for childcare, for the cinema, and maybe for a Freddo bar. All those prices are exactly the same. Young people are not entitled to discounts on their rent because of their age, and indeed they get less in benefits from this Government as well because of their age, so they are doubly missing out. Young people deserve the right to be paid a fair market value for their skills, and not be subject to state-sponsored age discrimination.

I mentioned unscrupulous employers. When I was at school, it was well known among my peers that some employers would employ young people right up until

[*Alison Thewliss*]

the point at which they would have to pay them more, and then they would let them go. That is particularly true for people on zero-hours contracts or in precarious employment, who can be let go at a moment's notice. As soon as an employer has to pay them more, they are shown the door. There is very little by way of protection, particularly for young people, who often do not know their rights and cannot afford legal representation to challenge an employer. A few years ago I met a constituent who had been working in a bar when the rate of pay went up. She was pretty sure that she was let go because she was the oldest person employed there, but she could not prove it. This Government are leaving the door open for unscrupulous employers to do that time and again to low-paid workers, often female workers in part-time jobs. This Government are aiding and abetting those unscrupulous employers.

Scotland is the best performing part of the UK when it comes to paying the real living wage. There are 1,363 real living wage employers in Scotland, and I am proud to say that the latest among them in my constituency include the Scottish Fairtrade Foundation, Silver Cloud and the spectacle manufacturer IOLLA, which has a shop in Finnieston. I am proud that those responsible employers are seeing the benefits of paying the real living wage, because it improves retention and morale. However, powers over the minimum wage are not currently devolved; they remain with this Government, who are not interested, frankly, in making the change for young people in this country. If the Minister is not interested in doing this, will she devolve the powers to the Scottish Government and let us get on with the job?

5.6 pm

**Kelly Tolhurst:** I thank all Members who contributed to the debate. I was pleased to hear that the Opposition will not oppose this statutory instrument, although I was disappointed by some of the comments about the Government's commitment to workers and, in particular, to young people—it seems to be a recurring theme, because some of these criticisms were levelled against me in a debate last week. This Government and the Prime Minister have been clear about our commitment, so I will take no lectures from the Opposition on supporting low-paid workers, and no suggestion that Government Members do not understand the real world. As I have said numerous times, I am proud to be a member of a Conservative Government who are committed to the biggest reformation of rights in the workplace in 20 years. I am proud to be a Minister who is part of that.

**Andrew Griffiths:** I thank the Minister for what she has said so far. We hear a lot about workers' rights being eroded by us leaving the European Union, but are we not demonstrating, through the Taylor report, that we are actually going further and faster than Europe in guaranteeing new rights to the lowest paid and to vulnerable workers?

**Kelly Tolhurst:** I thank my hon. Friend for that point. He is indeed correct, because we have been clear that we will not be rolling back workers' rights when we leave the European Union. That has been further guaranteed by the introduction of the "Good Work Plan"—I will

say more about that later—and we have already laid three SIs dealing with workers' rights. We are going further on workers' rights and increasing the wages for the lowest paid. We are sticking to our commitment. I am proud to be part of a Government who have put workers' rights and the lowest paid in our society at the top of our agenda, so I will take no lectures from the Opposition in that regard.

We will increase the personal allowance of the lowest-paid workers to £12,500 in April. That will take 1.7 million people out of tax. Since 2015, the national minimum wage has risen faster than average wages and inflation. For the lowest paid, there has been 8% growth, above inflation, between April 2015 and April 2018. I will therefore not listen to accusations that we have not continued to work towards our commitment to reach 60% of median pay by 2020.

**Bob Stewart (Beckenham) (Con):** May I confirm that the lowest paid will get the same deal that they get now, or better, if Brexit happens, which it will?

**Kelly Tolhurst:** Absolutely. My hon. Friend is right. The rates that come into force in April will be the same whether we leave the European Union or not—[*Interruption*]*—*as we leave the European Union.

Those increases did not happen year on year under the last Labour Government. This Government have made and delivered that commitment. This year, we have come forward with another plan, which accepts the recommendations of the independent Low Pay Commission. It takes its job extremely seriously, produces great reports, consults businesses and workers, and ensures that its independent recommendations to Government are objective and fair.

**Daniel Zeichner:** Will the Minister remind the House who introduced the national minimum wage and the Low Pay Commission?

**Kelly Tolhurst:** I point out that we introduced the national living wage in 2016. As I said, we have made increases year on year and stuck to our commitment.

I want to answer a few more questions, particularly the question that the hon. Member for Newcastle upon Tyne Central (Chi Onwurah) asked about pay for the Department's security staff. We value all the staff, who deserve fair and competitive wages. The Department has agreed with its contractors to align the pay of cleaning, catering, mailroom and security staff with the median rates for those occupations. That will come into effect on 1 March.

**Chi Onwurah:** I thank the Minister for that clarification. Is she saying that all staff at the Department for Business, Energy and Industrial Strategy will be paid the London living wage from this financial year?

**Kelly Tolhurst:** I welcome the hon. Lady's comment about the London living wage, and we value the work of the Living Wage Foundation. However, it is the Government's responsibility to set the minimum rate and, as I said, it has been agreed that the wage rates will be aligned with the median rates for those occupations, and that will come into effect on 1 March.

As a result of the increases in pay that will come into effect in April, another 350,000 young workers will benefit. Nine out of 10 workers between the ages of 18 and 24 are paid more than the minimum rates. There has been much criticism of age-related rates, but they are not new. Age-related rates have been in place since the national minimum wage was introduced in 1999. In fact, this Government have asked the Low Pay Commission to review the youth rates this year to see whether they are fit for purpose, and it will report later in the year.

**Chris Stephens:** Surely the Minister must concede that the Government have made this situation worse by introducing the pretend living wage rate for those who are 25 and over. Has that not actually increased age discrimination, and not reduced it?

**Kelly Tolhurst:** As I have already highlighted, age rates are not new to these regulations. We have asked the Low Pay Commission to review the age-related rates to see whether they are fit for purpose, and to report back later in the year.

As hon. Members have raised in the House, it is absolutely true that younger workers are the most vulnerable with regard to employment. I must point out that, from September and November 2018, 11.7% of 16 to 24-year-olds were unemployed, compared with 2.9% of over-25s. It is absolutely right, when these rates are set, that we have in mind that we want young people to be in work and getting experience in order to have the future earning capacity to reach their full potential and be able to fly. They can do that through work experience, and by getting into a place of work and gaining such experience, while in some cases they will get the entrepreneurialism they need to go on to do great things.

**Alison Thewliss:** Will the Minister give way?

**Kelly Tolhurst:** I want to make one more point about the age-related model. This model has been in place since 1999, and it is used across OECD countries, so it is not specific to the UK.

I will move on quickly to enforcement. I have said at the Dispatch Box a number of times since I have had this role that we take enforcement extremely seriously. That is why we have doubled spending on enforcement to £26 million. In 2017-18, there were 810 penalties, totalling £14 million. This is five times more in penalties than were imposed in the last five years of the previous Labour Government. To level the criticism that we are not taking enforcement seriously is just factually incorrect.

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

**Kelly Tolhurst:** I am keen to make some progress because I know there is other business to be getting on with.

On enforcement, we are committed to making sure that anyone who underpays on the minimum wage will be investigated and penalised or prosecuted. As I have said, HMRC will always investigate every worker complaint and make sure there is compliance with the national minimum wage. This Government are clear, as I have been all the time I have had this role, that the enforcement of the national minimum wage is important and delivering this is central.

To level the criticism that we are deliberately discriminating against young people in the workplace is pure fantasy; we are not discriminating. In actual fact, this Government are taking forward plans and making progress with work to make sure that workers in this country are not discriminated against, and we are going as far as we can.

On the specific questions about the SIs that have been laid, three have been laid. In fact, the first will be debated on 6 March, and I am looking forward to bringing it forward in the House.

The national minimum wage and the national living wage make a real difference to the lives of millions of workers in this country. I am glad that there is agreement across this House that the lowest-paid workers deserve a pay rise, which these regulations will provide. These regulations mean that, on 1 April, over 1.7 million workers on the national living wage will receive a pay rise. A full-time worker will receive an additional £690 a year. Younger workers will also get more money, through increases to the youth rates. I hope we can do more in the future.

Our industrial strategy aims to build an economy that works for everyone, wherever they live and wherever they work. Creating good jobs and increasing people's earning power is one of the pillars of our strategy. Having a UK-wide minimum wage, recommended by the independent and expert Low Pay Commission, makes sure that the lowest paid in society are protected in terms of pay. It also means that businesses compete on a level playing field.

The increases for this year will mean that wages continue to rise above inflation. We remain on track for the national living wage to reach 60% of median earnings by 2020. We also have the highest employment rate since comparable records began. We can be proud of our labour market, and we can be proud of these regulations. I commend them to the House.

*Question put and agreed to.*

*Resolved,*

That the draft National Minimum Wage (Amendment) Regulations 2019, which were laid before this House on 28 January, be approved.



## Exiting the European Union (Medicines)

5.21 pm

### **The Parliamentary Under-Secretary of State for Health and Social Care (Jackie Doyle-Price):** I beg to move,

That the draft Medicines for Human Use (Clinical Trials) (Amendment) (EU Exit) Regulations 2019, which were laid before this House on 23 January, be approved.

Before I discuss the regulations, it is important to reiterate that we wish to retain the closest possible working partnership with the EU to ensure that those engaged in clinical trials can continue to develop innovative and cost-effective treatments and that patients recruited in trials can continue to have timely access to medicines. However, we are bringing forward this legislation to continue preparations for no deal, in case we need to be prepared for that eventuality.

In developing this amending legislation, my Department's priorities have been to minimise any disruption to ongoing trials and to make sure that the UK regulator can still protect public health and, importantly, that the UK's biomedical, health and life sciences research sectors can continue to be world-leading. With that in mind, the Medicines and Healthcare Products Regulatory Authority has sought to take a pragmatic and proportionate approach in establishing the new regulatory requirements. Importantly, that has been done through continued close co-operation with stakeholders. After a period of informal consultation in August, the MHRA published an initial proposal, and it followed that up with further consultation. The feedback from that consultation, which received over 170 responses, led to the statutory instrument before us.

Let me bring a few details to the attention of the House. First, wherever possible, we have sought to maintain existing arrangements. Given that the system for clinical trials is currently based on national-level decision making in the EU and globally, we have not had to make any substantial change in some key areas. In particular, on the ability of the UK to participate in multinational trials in the EU or in the rest of the world, there will be no change. Also, the data gained from trials in the UK can still be deposited in international repositories and be accessed by others. I think the House will agree that that reflects our approach, which is to continue multinational co-operation on clinical trials.

In other areas, we have faced a choice regarding the UK's regulatory requirements. In those instances, we have sought to maintain current arrangements, provided that the regulator still has sufficient ability to protect public health. For example, we will continue to recognise existing approvals, so there will be no need to reapply for both regulatory and ethics approvals. We will have the same information requirements as the EU for any new applications for multi-state trials in the UK. There is also a requirement that a clinical trial sponsor or legal representative for clinical trials in the EU should be based in the EU. That will ensure continuity of the existing clinical trials landscape and maintain the UK as an attractive, open environment in which to conduct clinical trials.

**Daniel Zeichner** (Cambridge) (Lab): The Minister is making an important speech. Does she recognise industry concerns about the introduction of an extra level of

regulation through the proposals for a qualified person requirement? There is a worry that it will make our country a less attractive place to conduct clinical trials, which are, of course, extremely important to my part of the world.

**Jackie Doyle-Price:** I appreciate the hon. Gentleman's point. Perhaps I can reassure him by emphasising that the UK is committed to establishing a far-reaching science and innovation pact with the EU to facilitate the exchange of research and ideas, so we continue to maintain the competitiveness to which he refers.

In bringing forward these proposals, we have been determined to establish our pattern of regulation from outside the EU if need be, but as much as possible we wish to continue with business as usual. We will continue to engage with the sector to maintain competitiveness, because we fully appreciate the value of the life sciences sector to our economy.

**Dr Philippa Whitford** (Central Ayrshire) (SNP): Paragraphs 7.6 and 7.7 of the explanatory notes highlight that the EU makes information public and transparent. They talk about the MHRA doing that, but they do not mention that the MHRA would be publishing data within the upcoming EU system.

**Jackie Doyle-Price:** The regulations are determined to facilitate transfer with not only EU bodies, but internationally. We fully recognise that in bringing forward the regulations we are operating in an international landscape. The regulations are designed to facilitate that co-operation, as well as to establish the MHRA as the lead regulator. It is worth noting that, within the current system, the MHRA is the lead. In terms of the regulation we are transposing, rather less is coming to the MHRA given the existing ownership it has in this field.

**John Redwood** (Wokingham) (Con): Given that our industry is a world leader and a very significant part of the European effort, does the Minister see opportunities in the future for us to have world-class regulation where we lead and differentiate in a way that would strengthen our efforts?

**Jackie Doyle-Price:** My objective this afternoon is to make sure we can continue with business as usual on exiting the European Union, but clearly once we have left the European Union that would be open to us. The ethos behind the regulations and the consultation we have had with the sector very much recognises that this is an international market place. We must ensure that in taking forward these requirements we remain competitive.

As I was saying, we will require the same information requirements as the EU for any new applications for multi-state trials in the UK. There is a requirement that a clinical trial sponsor should be based in the EU. There are a few areas where it has been necessary to add a new requirement, as a result of the UK no longer being part of the European regulatory framework, relating to the MHRA putting in place a new national IT system for safety reporting and submissions. In addition, investigational medicinal products, known as IMPs, imported from the European Economic Area will now require an import licence, as they would no longer be part of the single

market. As the hon. Member for Central Ayrshire (Dr Whitford) said, they will be overseen by a qualified person to ensure that the products are appropriately certified. That builds on the existing import licensing system, which allows the transport of IMPs direct from the EEA to UK trial sites to continue. Recognising that this is a new system, we have provided stakeholders with a 12-month transition period from exit day before it comes into force.

While not specifically covered in this statutory instrument, I would like to reassure Members that the Government are engaging with organisations running clinical trials to ensure continuity of supply and that drugs continue to be received. The Government are undertaking a comprehensive deep dive into clinical trial supplies to gain detailed understanding of what is required, and are putting place contingency plans in case the sponsors need them. They will include access to the same prioritised shipping routes that will be available for all other medicines.

As I mentioned in response to the hon. Member for Cambridge (Daniel Zeichner), the Government are committed to ensuring that the UK remains one of the best places in the world for science and innovation. Members should note the Government's commitment to aligning with the EU's new clinical trials regulation as far as we can, without delay, when it does come into force, subject to the usual parliamentary approvals.

**Daniel Zeichner:** Will the Minister also comment on the concerns raised by organisations such as Cancer Research UK about future pan-European trials, for which it would appear that the sponsor or lead would have to be from within the EU rather than within the UK?

**Jackie Doyle-Price:** As I said in response to earlier questions, the Government's approach is that this an international marketplace. We clearly want access to the best possible medicines and to ensure that we can continue to co-operate and share that information as best as possible. I fully expect the MHRA to share that information with the European regulators, as it currently does. Regardless of EU exit, the MHRA and partners across the UK healthcare ecosystem are already taking steps to improve the UK clinical trials application process to ensure that it is as seamless as it can be.

In conclusion, in the event of a no deal, these regulations will put in place a pragmatic solution that ensures that the UK's clinical trials legislation continues to function effectively after exit day. Essentially, we want this to be business as usual following exit, and I commend this statutory instrument to the House.

5.31 pm

**Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): I thank the Minister for bringing this legislation to the Floor of the House and for providing us with a summary of it, which helped immensely. We are expecting many more health SIs in the weeks to come, so I must make it clear again, as I will in future, that it is incredibly concerning that we are now only 38 days away from 29 March and are still preparing for a no-deal Brexit. I hope that it does not come to that, but this has taken up a considerable amount of Parliament's time and resources. My preferred scenario would have been one in which the Prime Minister did not run down

the clock for two years, and especially now when we are getting closer and closer to Brexit day. I understand the need for "just in case" legislation, but we should have secured a deal by now.

Moving on to the legislation, clinical trials will probably not be in the forefront of people's minds, but they are crucial for the safety and efficacy of medicines, as well as for our health and wellbeing. Medicine is not something that we should get wrong, but when we do, as in the case of Primodos, valproate and vaginal mesh as a surgical procedure, we must hold up our hands and take urgent action.

While this may not be the most eye-catching statutory instrument, it is hugely important. It is about patient safety and confidence. It would mean that in a no-deal scenario, the Medicines and Healthcare Products Regulatory Agency would be able to operate as a regulator outside the EU system and would therefore take on roles formerly conducted by the European Medicines Agency and through the wider EU regulatory framework. I must put on record my disappointment that the EMA is relocating from the UK to the Netherlands next month because of Brexit. Our loss is the Netherlands' gain, but we should not have let it come to this. However, this SI means that in the event of a no-deal Brexit, the MHRA will be able to regulate clinical trials to ensure that they continue to operate effectively.

I want to ask the Minister for clarification on a few points. The new EU clinical trials regulation was introduced in April 2014 and was expected to come into force in October 2018. I understand that owing to technical issues that has now been delayed. The Government's no-deal guidance says that

"we'll align where possible with the CTR without delay when it does come into force in the EU".

Will the Minister please restate that commitment to the House today?

If the UK does leave with a deal, which I hope we do, what will the arrangements be for the CTR and the UK? Could the UK, no longer being a part of the EMA, delay the availability of new medicines in the UK? I am aware of concerns raised that, because the UK will be seen as a smaller market for new drugs than the EU, companies will be more likely to prioritise the authorisation of new drugs in the EU rather than in the UK. Has the Minister made any assessment of this risk?

Will the Minister please tell the House what the implications of a no deal would be for clinical researchers who are EU nationals? Will the UK also be eligible for EU funding for clinical trials under a no-deal scenario? The UK is currently one of the largest recipients of funding for clinical trials, and I am concerned about the implications for future trials and opportunities. The MHRA will have the power to publish its own guidance on clinical trial applications and applications for an ethics committee opinion, as well as declarations of the end of clinical trials and the content of documents forming trial master files. Could the MHRA continue to work with EU states in order to keep regulation in line with the EU? Will the Minister review important details, such as ethics, where concerns are raised?

In July 2017, the then Health Minister, Lord O'Shaughnessy, said that in the event of a no deal the Government would ensure that any system put in place would not

[Mrs Sharon Hodgson]

impose additional bureaucratic burdens. Can the Minister reaffirm this commitment today? I know that this instrument was subject to consultation and that because of concerns raised amendments were made. Will she please say whether any further amendments are expected and whether there will be further consultation? Finally, will she please confirm that any changes made by the instrument will be communicated effectively to stakeholders in a timely manner?

5.36 pm

**Dr Philippa Whitford** (Central Ayrshire) (SNP): As we all know, Europe is the biggest research network in the world—bigger than China and America; and the UK and, within the UK, Scotland have been major beneficiaries. As the shadow Health Minister mentioned, the EMA provides a single licensing system, and countries outside Europe that are not major economies, such as Canada and Australia, face a delay of six months to a year in accessing and licensing new drugs. The EMA is not just a licensing body, however; it also funds and promotes research, particularly into rare conditions and childhood diseases.

Europe created the comprehensive trial regulation system with the clinical trials directive in 2001 and the good clinical practice directive in 2005. As mentioned, however, in 2014 a new directive introduced the EU clinical trials information system and the new trials regulation system, which will be under the control of the EMA when it comes into force next year. The system will provide a single portal for sponsors to register, collaborate and analyse their work and will provide work spaces for authorities and a public site that will tell patients what trials are going on and what their benefits are. It will also contain the EudraVigilance database on medicinal products that are not yet licensed, which is critical during initial trials.

The MHRA will take on the full role of clinical trial regulation, including legislative functions currently carried out by EU bodies, which will obviously mean additional work and costs for the MHRA. I welcome the Government's commitment to align closely with the new European regulations, but this is not the same as being part of a single collaborative system. I note that the UK Government plan to recognise sponsors in the EEA, since EEA states will be recognised as approved countries—this is one of the amendments made—to minimise upheaval, but that means there will not be any compulsion to have a legal representative or lead researcher here in the UK.

Clinical trials sponsors must report any suspected unexpected serious adverse reactions—SUSARs, as they are known—to the EU database. They can currently do that from the United Kingdom, in a straightforward fashion. Similarly, any SUSARs registered elsewhere in Europe are entered in the database, so that concerns are highlighted at the earliest point during trials. Many of us will remember safety trials carried out on human subjects that resulted in major damage. It is critical that the UK does not operate in a vacuum.

Before licensing, particularly in the early stages of safety, dosage or phase 1 trials, investigational medicinal products are used. Those products are unlicensed, and,

as the Minister said, they must be certified by a qualified person based in the EEA. If they are made in the EEA or in a third country, that is critical. For IMPs made in a third country, the importer must have a manufacturing and importation authorisation, and must ensure that a qualified person certifies the products before supplying it.

Unfortunately, the regulations mean that bringing a drug into the UK for the purpose of a Europe-wide trial and exporting an IMP to Europe from a UK pharmaceutical firm will introduce bureaucracy. It is bizarre to claim that there will be no additional bureaucracy. The regulations merely describe the extra licences that will be required. The MHRA will publish data on UK trials, but there is no promise that they will also be posted on the EU trials information system.

Simply creating something separate will not replace our collaboration across Europe. We are seeing duplication, obstruction and expense. I am sorry to say that those are all the enemies of collaboration—and that defines the loss that is Brexit.

5.41 pm

**Dr David Drew** (Stroud) (Lab/Co-op): Let me start by thanking the Department for an actual impact assessment. I have attended too many debates on statutory instruments when there has been no impact assessment. At least we know what we are talking about on this occasion, and I congratulate the Department on that.

I shall make three very brief points to which I hope the Minister will be able to respond. First, the headquarters of two of the top 10 pharma companies, GlaxoSmithKline and AstraZeneca, are in the United Kingdom. That matters, because there is considerable evidence that the location of the headquarters is the location of much of the investment in clinical trials. We need to maintain that hegemony, and ensure that we keep those trials here. How do the Government intend to guarantee investment in both the industry and the clinical trials?

Secondly, the industry is very concentrated. I know more about animal medicines, because of my involvement with the shadow DEFRA team. For instance, it was decided that the trial of the bovine tuberculosis vaccines for badgers had to end because the vaccines were needed for human use. There was one major company in Paris. That shows what the industry is really like, and that is why I fear that if we do not get this right, it will drift to other parts of the EU and we will lose out.

My third point is about barriers. This is not just about physical resources, the drugs and chemicals themselves; it is about people. We might find ourselves in a very difficult position, particularly if we were to crash out, heaven forbid. How does the Minister intend to ensure that, in such an event, the key people will be able to secure transferability between the UK and the rest of the EU? That issue is heightened by the enormous pressure on the MHRA in connection with a crash-out. It would be useful to know from the Minister what we will do on the people side to ensure that we genuinely defend the industry.

There is important health investment in pharma companies in my constituency, as there is in many other constituencies. It really does matter to us all to know that there is some certainty in what is a very uncertain process.



5.44 pm

**Jackie Doyle-Price:** I thank all hon. Members who have participated in this debate, which has demonstrated how vital it is that we make sure the legislative underpinning of clinical trials continues safely, as the hon. Member for Washington and Sunderland West (Mrs Hodgson) outlined in her opening comments. That is by far our biggest priority: we need to continue business as usual, and to value our important pharmaceutical and life sciences sector and guarantee people's safety.

I will try to address some of the points made today. The hon. Lady mentioned the clinical trials regulation and what it would mean in terms of adoption by the UK if it was implemented after March 2019. We expect the clinical trials regulation to be implemented in late 2020, and the MHRA, the National Institute for Health Research and the NHS have been working towards the implementation of that regulation since it was agreed in 2014. The withdrawal agreement Bill will give effect to the implementation period in domestic law and will allow EU regulations to continue to apply directly in the UK for this time-limited period. If the clinical trials regulation comes into force during the implementation period, as it is currently expected to, we would expect to apply that to the UK. If however we leave without a deal—this is why we have these regulations—the CTR will not be in force in the EU at that time so will not be incorporated into UK law on exit day; however, we intend to align, where possible, with the CTR without delay when it does come into force, subject of course to the usual parliamentary approvals. But that alignment will happen after 29 March 2019.

The two key elements of the regulation that are outside the UK's control and that this instrument does not therefore cover are the use of the shared central IT portal, as mentioned by the hon. Member for Central Ayrshire (Dr Whitford), and participation in the single assessment model, both of which will require negotiated UK-EU agreement regarding UK involvement post-Brexit. This reiterates the wish expressed by the hon. Lady and shared by me that it would be far preferable if we can leave the EU with a deal. Sadly, experience tells us that these things always go to the wire, but let us hope we get a resolution sooner rather than later.

The hon. Lady also mentioned patient safety. Currently a sponsor can report a suspected unexpected serious adverse reaction—SUSAR—during the course of a clinical trial through the EU database. Similarly, all SUSARs originating outside the UK where the sponsor has an ongoing trial in the UK involving the same medical products currently must be entered on the EU database, and we will clearly need to find a way of entering that so we can share such information and have arrangements for holding it on the MHRA database.

**Dr Whitford:** Does that mean that that ability is not there if the UK leaves without a deal, for April of this year?

**Jackie Doyle-Price:** Being brutally honest with the hon. Lady, and perhaps more honest than some are in this debate, I do not think we can dictate terms to our EU partners; I think we can look forward to having constructive working arrangements with them and it is in all our interests to do so, but ultimately we would have to seek agreement about this. At this stage this SI can only really cover the things that are in the gift of

this Government, and a lot will rest on good co-operation after the event, which again means it would be much more preferable to leave with a deal.

**John Redwood:** Given the great importance of joint venture companies and joint investment and joint activity across the Atlantic, will the Government also be looking at changes in American regulation to see if any of that would be appropriate—or maybe a UK version could be better than both the American and EU ones?

**Jackie Doyle-Price:** My purpose this afternoon is to ensure that we have business as usual post-exit day, and that we can maintain patient safety at that time. I would not want to encroach on any debate beyond that now.

Questions were raised regarding research funding. I should advise the House that before the Brexit vote the UK was involved in more EU-funded science projects than any other country. The UK secured 14.3% of the total share of the funding to date and is the second-highest recipient of grant funding. We are committed to remaining a world leader in science and research, and that is why, in our modern industrial strategy, we have committed to spending 2.5% of our GDP on research and development by 2027. We have invested an extra £7 billion in research and development as a first step towards that.

**Henry Smith (Crawley) (Con):** My hon. Friend has said that just over 14% was received by this country from EU funds. Does she have the figures to hand—I would not blame her if she did not—for the percentage of funds that we gave to the EU to be distributed around the bloc?

**Jackie Doyle-Price:** I do not have a detailed knowledge of the accounts in that regard. I can only tell the House how much we have received, and how we are replacing it, which is really the crux of the matter.

Mention was also made of what the Government are doing to prevent the loss of EU nationals working in research. We have been clear that we wish the UK to continue to be an open and tolerant nation, and to continue to attract the brightest and the best. That is equally applicable here. The Prime Minister told the House of Commons on 21 January:

“Having listened to concerns”

about the settled status scheme

“I can confirm today that, when we roll out the scheme...the Government will waive the application fee”.—[*Official Report*, 21 January 2019; Vol. 653, c. 27.]

We want to give a clear message that we are open for business and open to the brightest and the best.

In bringing these regulations to the House, the central point is that the fundamentals of how clinical trials operate will remain the same and that, wherever possible, we have sought to maintain existing arrangements rather than creating new ones. While it is not the focus of this statutory instrument, the Government are working to ensure that the trials have continuity of supply and will continue as planned. I commend these orders to the House.

*Question put and agreed to.*

*Resolved,*

That the draft Medicines for Human Use (Clinical Trials) (Amendment) (EU Exit) Regulations 2019, which were laid before this House on 23 January, be approved.

## NHS 10-Year Plan

**Madam Deputy Speaker (Dame Rosie Winterton):** We now come to the general debate on the NHS 10-year plan. Colleagues will notice that there is a bit of a time issue. I know that the Front-Bench spokespeople will be considerate in this regard, but it is only fair to warn colleagues that I will then impose an immediate three-minute time limit on Back-Bench speeches. I call the Minister, Stephen Barclay, to move the motion. *[Interruption.]* I am sorry. Let me do that again. I call the Minister, Stephen Hammond.

5.53 pm

**The Minister for Health (Stephen Hammond):** I beg to move,

That this House has considered the NHS Ten Year Plan.

Thank you, Madam Deputy Speaker. You will understand that I am pleased not to have to follow my predecessor's responsibilities.

As last year's 70th anniversary celebrations proved, the NHS is one of this country's proudest achievements. That is clear from the number of people who want to contribute to the debate this evening, so I shall be as brief as I possibly can. The Government's top funding priority is the NHS. By 2023-24, the NHS budget will increase by £33.9 billion in cash terms, which is the equivalent of £20.5 billion in real terms. This means that in five years' time the total NHS budget will be £148.5 billion.

In January this year, the NHS published the long-term plan, which sets out the priorities for the next 10 years of the service. The additional funding has given the NHS the stability and certainty it needs to make that plan for the decade ahead. The plan represents a historic moment for patients across the country. It was developed by NHS leaders and clinicians, in consultation with patients and the public, and Members can be assured that it focuses on the biggest priorities for patients in the next decade.

**John Redwood (Wokingham) (Con):** Will the plan ensure that areas such as mine, which has fast growth and lots of new housing, will receive adequate resources to put in new surgeries and additional capacity, which has not happened in the past?

**Stephen Hammond:** My right hon. Friend will note that the plan includes the transformation that we will bring to primary care, which will look not only at how primary care will be developed and delivered, but at ensuring that there is enough money to deliver the changes.

The plan sets out a scheme that will provide the best support for patients throughout their lives—from getting the best start in life to being supported into old age. The plan sets out the transformation needed at every level of the health system to ensure that it can continue to provide world-class care. Part of that, as I have just said to my right hon. Friend, is a fundamental shift towards primary care and prevention. The plan will keep people healthy and out of hospital by boosting services closer to home.

**Louise Haigh (Sheffield, Heeley) (Lab):** The long-term plan acknowledges that life expectancy continues to improve for the most affluent 10% but has either stalled or fallen for the most deprived 10%. In Sheffield, life expectancy for the most deprived women has fallen by four years over the nine years that this Government have been in power. Does the Minister have any analysis of why life expectancy has fallen for the most deprived women on his watch?

**Jonathan Ashworth (Leicester South) (Lab/Co-op):** Very good question.

**Stephen Hammond:** I am sure that there will be a number of excellent questions and interventions, but it was a good question. The plan sets out that all local health systems will be expected to outline this year how they will reduce health inequalities by 2023-24, and the intention is that that process will consider exactly the health inequalities that the hon. Member for Sheffield, Heeley (Louise Haigh) mentions.

Additional money for the primary sector will ensure that funding for primary medical and community health services, such as GPs, nurses and physiotherapists, increases by £4.5 billion in real terms in the next five years. That will mean up to 20,000 extra health professionals working in GP practices, with more trained social prescribing link workers within primary care networks. By 2021, all patients will be offered a digital-first option when accessing primary care. The plan also considers the future of the health system, and the new proposals for integration are the deepest and most sophisticated ever proposed by the NHS.

**Dr Dan Poulter (Central Suffolk and North Ipswich) (Con):** The plan recognises that some proposals in the Health and Social Care Act 2012 were made in error when it comes to the transference of powers to public health bodies and local authorities. However, based on my reading of the plan, the omission from that list relates to addiction services. If we are serious about mental health and about improving care and reducing health inequalities in areas such as Sheffield, which was just mentioned, we need to get the commissioning of addiction services right and transfer that back to the NHS. Such services deal with some of the most vulnerable patients, but they are underfunded and failing to treat people, and the taxpayer is paying the price. Patients badly need those services, so will my hon. Friend take the matter up and give it a push?

**Stephen Hammond:** My hon. Friend makes a good point and urges me to take up the issue, which I will. He is obviously an expert in this field and will know that the Government have asked the NHS to come forward with proposals for legislative reform to support the long-term plan's ambitions, and I will reflect on his comments in my thinking.

By 2021, every part of the country will be covered by integrated care systems, which will bring together local organisations, including local authorities, to redesign care and improve population health. They will become the driving force for co-ordination and integration across primary and secondary care. Any claim that such reforms

might lead to privatisation are misleading. In fact, the Chair of the Health and Social Care Committee said that the proposals

“will not extend the scope of NHS privatisation and may effectively do the opposite”.

The NHS will invest more in preventing ill health and stopping health problems getting worse. That includes offering tobacco treatment services to all in-patients and pregnant women who smoke, establishing new alcohol care teams, and offering preventive treatments to more people with high blood pressure and other risk factors for heart disease.

**Sir Paul Beresford** (Mole Valley) (Con): As my hon. Friend is probably aware, I have a part-time job in which I deal with a preventable disease: caries. In dentistry we spend £34 million to £38 million on this preventable disease. Will he consider looking seriously at how we could persuade local authorities to put fluoride in the water supply to prevent caries?

**Stephen Hammond:** My hon. Friend will know that the plan has much on prevention in primary care and public health. I offer to meet him, and I will listen carefully. He tempts me down a line that I would rather not go down tonight.

The long-term plan marks a huge step towards parity of esteem between mental and physical health. In the next five years, the budget for mental health services will increase by at least £2.3 billion in real terms. This additional funding will be used to fund a major expansion of mental health services for both children and adults. In addition to piloting four-week waits for children and young people, we will test waiting times for adult and older adult community mental health teams, and clear standards will then be set. Specific waiting times for emergency mental health services will take effect for the first time from 2020 and will be set to align with the equivalent targets for emergency physical health services.

**Layla Moran** (Oxford West and Abingdon) (LD): The mental health budget is 10.2% of the current NHS budget. If the overall budget increases, will there be an equivalent rise in the mental health budget? The mental health budget has risen because the overall budget has increased, but the proportion allocated to mental health has not risen. If we are serious about tackling mental health in this country, why is the proportion allocated to mental health not higher?

**Stephen Hammond:** The hon. Lady will know that, as I said a moment ago, the long-term plan, for the first time, sets a parity between mental health and physical health. The mental health budget will increase by £2.3 billion by 2023-24.

Of course, everything we have been talking about here needs to be supported by new innovations and new technology. Patients can expect a radical reshaping of how the NHS delivers its healthcare using technology, so that services and users can benefit from the opportunities of advances in digital technologies. That includes making care safer, enabling earlier diagnosis and giving more independence to those managing different health conditions.

Additionally, it is vital that we build a more innovative NHS, which will help patients to be among the first in the world to benefit from life-changing new technologies.

Last year, the Secretary of State announced his ambition to sequence 5 million genomes in the next five years, making the NHS the first national healthcare system to offer whole genome sequencing as part of routine care.

Most importantly, none of that will be possible without dedicated staff who are properly trained and supported throughout their career. The long-term plan sets out a strategic framework to ensure that, over the next 10 years, the NHS will have the staff it needs to ensure that the detailed plan can be implemented. Baroness Harding is leading an inclusive programme of work to set out a detailed workforce implementation plan, which will be published in the spring, but the plan is not about numbers.

**Vicky Ford** (Chelmsford) (Con): On the future workforce, I thank the Government for investing in our new medical schools. We are enormously proud of the new medical school in Chelmsford, which is training 100 doctors a year—I understand it is 12 times oversubscribed for next year. I am also pleased to hear that nursing numbers are up, but what will the Government do to target support at areas such as mental health nursing and adult nursing, where we have seen numbers drop?

**Stephen Hammond:** My hon. Friend is right that we need targeted support, which is why we have looked not only at increasing the recruitment of nurses but at the retention packages that might be offered, particularly for certain specialties—she mentioned mental health nurses. We have looked at the possibility of issuing golden hellos, and we have looked at targeted support for childcare and travel.

**Mr Philip Dunne** (Ludlow) (Con): My hon. Friend has been generous in giving way. I welcome the workforce implementation plan, and I welcome the fact that Baroness Harding, the chair of NHS Improvement, will be taking this work forward. Will my hon. Friend ensure that Baroness Harding looks at the retention of senior, experienced general practitioners under the general practice forward view? That issue has been raised in a number of areas. We are losing too many of them too early in their career, and the situation is similar with experienced consultants in our hospitals. A contributing factor is the annual allowance for pension contributions, where tax payments take away the extra gross income staff receive as they progress through their later years. Will my hon. Friend pick that up with the Treasury?

**Stephen Hammond:** I have listened carefully to my right hon. Friend's intervention, and he will be pleased to know that discussions with the Treasury are ongoing about certain potential incentives to senior serving staff.

The plan is not just about numbers; it focuses on getting the right people with the right skills in the right place, ensuring that our dedicated staff are supported, valued and empowered to do their best. It has clear commitments to tackle bullying, discrimination and violence, and a programme of work to sustain the physical and mental health of staff who work under pressure every day and every night.

**Grahame Morris** (Easington) (Lab): All good policies should be evidence-based, so let me ask the Minister about the national cancer advisory group, which prepares



[Grahame Morris]

an annual report detailing the progress of the cancer strategy each year. That report was expected in October/November but it has been delayed. When will it be published? It may well inform the work of the 10-year plan.

**Stephen Hammond:** The publication date has not yet been finalised. I understand that it will be soon, but I will write to the hon. Gentleman to confirm the date of publication.

Through the long-term plan, we will ensure that the NHS continues to strive to be a world leader. It will continue to push the boundaries between health and social care, and between prevention and cure. It will be at the cutting edge of technology and innovation, while providing high-quality service for all patients. More importantly, it will always be there in our hour of need, free at the point of use and based on clinical need, not on the ability to pay. I commend the long-term plan to the House.

6.6 pm

**Jonathan Ashworth** (Leicester South) (Lab/Co-op): I thank the Minister for his brevity. I am sure the House will appreciate the way in which he both took a number of interventions and made his remarks speedily. I will endeavour to copy him. [HON. MEMBERS: "Hear, hear."]

I start where the Minister almost concluded, by thanking NHS staff for the work they do day in, day out. He is a relatively new Minister to the post—so new that you gave him a different surname, Madam Deputy Speaker, but we will gloss over that. He inherits his portfolio after a time in which the NHS has suffered the most severe financial squeeze in its 70-year history. At one point under the Conservatives' spending plans for national health services the money was set to fall on a head-for-head basis, although they have now revised the spending plans. Because of that financial squeeze over many years, he inherits a portfolio where 4.3 million people are on waiting lists and 2,237 people are waiting more than 12 months for treatment, more than 2.9 million people waited more than four hours in an accident and emergency department, and nearly 27,000 people wait two months for cancer treatment. The 18-week referral to treatment target has not been met since February 2016, the cancer target has not been met since December 2015, the diagnostic target has not been met since November 2013, and the A&E target has not been met since July 2015. Those targets are all enshrined in the NHS constitution and in statute, and they were routinely delivered under the last Labour Government. Under this Government, they have, in effect, been abandoned.

**Gloria De Piero** (Ashfield) (Lab): People in my constituency have to wait longer than most people in the country for a GP appointment: 23% waited more than two weeks; and 15% waited more than three weeks. Does my hon. Friend agree that one of the many brilliant things the last Labour Government did was introduce the 48-hour target to see a GP?

**Jonathan Ashworth:** The last Labour Government put record investment into the NHS, which was voted against every step of the way by the Conservatives. That

Labour Government delivered some of the best waiting times on record and some of the highest satisfaction ratings, and they increased access to GPs in constituencies such as Ashfield.

The A&E standard is important not only for patients waiting in an overcrowded A&E but because it tells us much about flow through a hospital. Last week we had the worst A&E performance data since records began, with just 76.1% of those attending type 1 A&E seen, discharged or admitted to a ward in four hours. Behind the statistics are stories of patients left waiting in pain and distress and of the elderly languishing on trolleys. In fact, we have had 618,000 trolley waits in the past year. Patients have been waiting without dignity, at risk of cross-infection. There is no road map at all in the long-term plan to restoring access standards. Of course, the A&E standard is being revised in the long-term plan, even though the Royal College of Emergency Medicine has said:

"In our expert opinion scrapping the four-hour target will have a near catastrophic impact on patient safety in many Emergency Departments that are already struggling to deliver safe patient care in a wider system that is failing badly."

I hope that when the review reports we can have a full debate in the House.

**Dr Poulter:** The hon. Gentleman is right to highlight the Blair Government's injection of cash into the NHS and the meaningful difference that that made to many patients' lives. On the waiting-time targets, if we are serious about parity for mental health and physical health, we should reflect on the fact that historically there have not been access targets for mental health of anywhere near the same standards that there are for physical health. Will the hon. Gentleman join me in urging a rethink of that and a much greater push for access targets for mental health services as a way to raise standards and improve the time within which patients get care?

**Jonathan Ashworth:** The hon. Gentleman makes an important point. There are elements of the long-term plan that we welcome, including the access targets for mental health. We also welcome the commitment to save 400,000 lives, although there is no detail in the plan about how those lives are going to be saved. We welcome the rolling out of early cancer diagnostic and testing centres—after all, it is a policy that I announced in the 2017 general election campaign. We welcome the roll-out of alcohol care teams in hospitals—a policy that I announced at the Labour party conference last year. We welcome the commitments on perinatal mental health—again, a policy that we announced previously. We welcome the commitment for preferential funding allocated to mental health services—another policy that the Labour Opposition previously announced—but we will need to study the details carefully, as the hon. Member for Oxford West and Abingdon (Layla Moran) said.

The points about mental health from the hon. Member for Central Suffolk and North Ipswich (Dr Poulter) were well made, because currently three in four children with a diagnosable mental health condition do not get access to the support they need. Child and adolescent mental health services are turning away more than a quarter of the children referred to them for treatment by parents, GPs, teachers and others. That is quite

disgraceful, so I hope the extra investment in mental health services reaches the frontline quickly, and I hope that in summing up the debate the Minister will give us more details about when we can expect to see progress on that front.

**Darren Jones** (Bristol North West) (Lab): Does my hon. Friend agree that for hospitals such as Southmead Hospital in my constituency, which is one of the largest hospitals in Europe, frontline delivery requires a workforce that is able to meet the demand? Does he therefore agree with the comments from the King's Fund, which says that the Government not only failed the test on the workforce but did not even turn up for the exam?

**Jonathan Ashworth:** My hon. Friend makes a good point, and I will come on to discuss the workforce in a few moments. First, let me pick up the point made by my hon. Friend the Member for Sheffield, Heeley (Louise Haigh).

There is recognition in the plan that widening health inequalities are becoming a more important issue, which we need to confront. There is much in the document about widening health inequalities. After years of austerity, with poverty rates increasing and child poverty at 4.1 million, we now see life expectancy in this country stalling for the first time in a hundred years, and actually going backward in the poorest parts of the country. Child mortality rates for children born into the most deprived of circumstances have increased. The truth is that poorer people get sick quicker and die earlier. For me, as a socialist and a Labour politician, that is shameful. We should be creating conditions in which people live longer, healthier, happier lives, which is why we need to end austerity across the board. The focus on health inequalities is therefore welcome, and that includes the stark recognition that inequalities are costing the NHS £4.8 billion a year in admissions—a remarkable figure.

**Matt Rodda** (Reading East) (Lab): I concur on the benefits of our Labour health policy and how the Government should do much more to fund healthcare in this country. Does my hon. Friend agree that there is a particular problem of retaining public sector workers in many high-cost areas? In areas such as Reading and Oxford—my hon. Friend the Member for Oxford East (Anneliese Dodds) is sitting in front of me—there is severe pressure on the NHS because of the relatively low pay of many skilled staff.

**Jonathan Ashworth:** Absolutely. I will come on to the workforce in a second.

Overall, there are welcome commitments in the long-term plan. We have counted up to 60 commitments to improve, expand or establish new services, but sadly there is no detail on how they will be delivered. There are commitments to expanding access to general practice, but where is the plan to recruit the workforce we need in the national health service?

When the previous Secretary of State came to the House last June, he said that there would be a full workforce plan—not an interim plan shared by Dido Harding, but a full workforce plan to coincide with this long-term plan.

**Hon. Members:** Where is it?

**Jonathan Ashworth:** It has been delayed. There are no details about training budgets, because the Department has to wait for the spending review. We have 100,000 vacancies across the national health service, with think-tanks warning that we will have 250,000 vacancies unless we do something. We cannot wait for this workforce plan; we need action now.

Also missing from the long-term plan is any serious investment in public health services—this is picking up on another point that the hon. Member for Central Suffolk and North Ipswich made. Public health services are being cut again this financial year under this Government. When we take into account the cuts to public health services, the cuts to infrastructure, and the cuts to training, there is actually a £1 billion cut to health spending this year. The cuts to public health are equivalent to 1,600 fewer health visitors, 1,700 fewer school nurses, and 3,000 fewer drug workers. They mean that our constituents become sicker and demands on the wider NHS become greater. Drug and alcohol services will be cut by £34 million this year, even though the unmet need for treatment for alcohol problems has risen to 600,000 and admissions to hospital where alcohol is a primary factor have increased by 30%.

Also cut are smoking cessation services and obesity services. Cuts to health visitors and early years initiatives correlate with a fall in vaccination rates. Admissions to hospital for whooping cough are up by 59%. There have been deep cuts to sexual health services at a time when infections such as syphilis and gonorrhoea are increasing. These cuts to sexual health services are having an impact on women's reproductive health, with experts expressing concerns that the use of long-acting reversible contraception is decreasing. Abortion rates among the over-30s are increasing and 8 million women live in areas where funding for contraception has decreased.

Let me read the House a quick extract from the Health Committee involving my friend—I will still call her my friend—the hon. Member for Liverpool, Wavertree (Luciana Berger). I am desperately sad that she felt that she had to leave the Labour party. I hope that the Labour party will get on top of this antisemitism issue. At the Health Committee, she asked about the health consequences of delays in accessing sexual health services. In responding, Dr Olwen Williams from the British Association for Sexual Health and HIV said:

“We are seeing neonatal syphilis for the first time in decades and neonatal deaths due to syphilis in the UK... We are seeing an increase in women presenting with infectious syphilis in pregnancy, and that has dire outcomes.”

These public health cuts were endorsed, not reversed, in the long-term plan.

**Paul Scully** (Sutton and Cheam) (Con) *rose*—

**Jonathan Ashworth:** I will give way for the final time.

**Paul Scully:** I am grateful to the hon. Gentleman for giving way. He talked about a few different topics, but I think that I heard him say that there was an overall cut in the health service—I think he did so when he was welcoming some of the Government's measures. In the 2017 manifesto, Labour committed to a 2.2% increase, whereas this Government committed to a 3.4% increase, so I hope that he welcomes that increase as well.

**Jonathan Ashworth:** We committed more in our 2017 manifesto than the Tory party did in the manifesto on which the hon. Gentleman fought the election. The Tory party revised its spending plans because of pressure from the Labour Opposition. *[Interruption.]* Madam Deputy Speaker wants me to hurry up.

The final point that I want to make is this: the most intriguing part of the long-term plan is the remark that the Health and Social Care Act has created a complete mess, hindering integration; and it proposes scrapping the so-called section 75 provisions. We do not want to say, “We told you so,” but we did tell them so, and Tory MPs should apologise for voting to pass the Lansley Act. If they are going to support NHS England’s call to get rid of the section 75 arrangements, which put through a proposed privatisation, why do they not block the £128 million-worth of contracts that are currently out to tender? If they do not, it will be clear that the Tory party is still committed to privatisation in the national health service.

The truth is, the Tories have spent nearly nine years running down the NHS, refusing to give it the spending that it needs. They are privatising it still; there will be a £1 billion cut to the NHS this year. It is Labour who will rebuild the national health service.

6.20 pm

**Lucy Allan (Telford) (Con):** Thank you, Madam Deputy Speaker, for calling me to speak in this important debate. I welcome the 10-year plan, especially the emphasis on delivering care closer to home.

The future of the NHS is the greatest concern to my constituents in Telford because local health bosses have been deliberating for the past five years on whether to move our A&E and our women and children’s services out of the borough, in a project that they have named NHS Future Fit. On 29 January 2019, local health bosses announced that they will indeed remove those services and transfer them 19 miles away, to the other side of Shrewsbury, and that they plan to create in addition a new “super-hospital” on the same site. The project will cost a record £312 million.

My opposition to that project has been long-standing, because it does not meet local people’s needs. It does not improve health outcomes and it does not focus on narrowing health inequalities. I believe that if local hospital management understood the people of Telford better, they would not have come up with this plan. Telford is a rapidly growing new town—people are coming to live there all the time—and it has pockets of significant deprivation. By any measure, it fares significantly worse when it comes to health outcomes, life expectancy and the number of children living in low-income families than does Shropshire, which fares better than England’s average on measures of deprivation.

There are some very important points that we must consider when making a transfer of assets from an area of need to an area of affluence, because such an action is wholly inconsistent with the ethos and obligations of the NHS. Some have called my opposition parochial and territorial, and said that if I understood the plans, I might view them in a different light. But as a former non-executive director of a hospital trust, and as someone who has been working with constantly changing senior executives in the local hospital trust and engaging in the

details of this plan since its inception in 2013, my opposition is based on an understanding of the healthcare landscape and local need.

We must ask these questions. Does this scheme meet the needs of local people? Is there any evidence that health outcomes will be improved? Is there any evidence that we will narrow health inequalities? Will out-of-hospital care make up for a reduction in planned medical beds and hospital staff? Put simply, the scheme may look good on paper, but will it work in Shropshire?

I have asked the Minister to call in the scheme for review, and I very much hope that he does.

6.23 pm

**Dr Philippa Whitford (Central Ayrshire) (SNP):** I welcome the principle of the long-term plan, as it certainly makes things easier for those who are running the health service, particularly after over eight years of real-terms cuts over the term of the last three Governments. It is trumpeted that there will be £20 billion extra by 2023-24, but that is still quite some time away, and on an annual basis that is 3.4% uplift. That is better than the real-terms cuts but less than what the NHS got in every year from its inception to 2010—and actually less than the 3.6% promised by the Prime Minister last August. It shows little recognition of growing demand and it should be considered per capita. In Scotland, we spend £163 per head more on health than is allocated in England. It is unfair to have just an overall figure and not recognise the growing demand on those services. It again focuses all the money on NHS England, basically to make it sound good, with cuts for public health and insufficient funding for training and for capital projects, and again insufficient funding for social care.

Social care will get a 2.9% increase, but it is estimated that the pressures are growing, at nearly 4%, and it cannot meet unmet need. Age UK estimates that 1.2 million people across the UK are not getting the care they need. In England, although need has almost doubled since 2010, the number of local authority-funded patients is down by over a quarter.

In Scotland, we have allocated £113 more per head for elderly care, which allows us to provide free personal care and keep people in their own homes for as long as possible. If they can stay in their own homes, rather than in hospitals or even in care homes, that is more cost-effective. We are still waiting for the Green Paper on adult social care—I seem to have been hearing about it almost since I was first elected.

The Secretary of State talks about the prevention agenda, and how prevention is better than cure, but public health funding will be cut by £200 million, and that comes on top of the £500 million cut it has already faced since 2014-15. The hon. Member for Central Suffolk and North Ipswich (Dr Poulter) mentioned alcohol and addiction services, and we have heard about cuts to sexual health services. The long-term plan talks about reducing the burden of cancer, but it makes no mention of cuts to smoking cessation services, or of an obesity strategy that does something to stop junk food being advertised to children on television before 9 pm.

The Secretary of State has mentioned the “making every contact count” approach, which has been in place for most of my career. When I am dealing with a breast cancer patient, I always get them to promise me that



they will come back, once we have got through the stress of their treatment, and that they and their partner will commit to giving up smoking, but I cannot deliver their smoking cessation; I still need a service that I can refer them to, such as Fresh Air-shire, where they will get support to achieve it.

As has been mentioned, the biggest challenge of all is workforce. It runs right through the long-term plan, which will not be deliverable unless the workforce challenge is dealt with. NHS England faces 100,000 vacancies, including 41,000 nursing vacancies, yet Health Education England is not facing an uplift in its funding and has previously faced a real-terms cut. The Minister talked about the move to community nursing, but there is a 50% cut in district nurses, and in 2021 none will graduate because the course is being lengthened. That will not support moving services into the community.

The nurse vacancy rate is 11.6% in England, which is more than twice the rate in Scotland. Indeed, Scotland has already reached what is supposedly the target for NHS England by 2028. In fact, the Royal College of Nursing estimates that in the next 10 years vacancies will grow to 48,000. That creates more stress on staff, encourages more people to leave, reduces quality of care and increases waiting times.

It is absolutely critical to tackle that, but what do we have? We have the removal of the nursing bursary and the introduction of tuition fees. We did not do that in Scotland, which is why we have a 14% increase in the number of students starting degree courses. In England the number is actually down by 4%. The Minister might well respond by talking about apprenticeships, but only 300 of those were taken up in 2017-18, instead of the thousands that were trailed, so they will not replace the drop of 900 in degree students. That means the Government are simply not producing enough nurses ever to fill the 41,000 vacancy rate. With a 90% drop in those coming from the EU, that will only get worse.

The Secretary of State loves to talk about digital. I have to say that I think he has a bit of an obsession with replacing GPs with apps. As a surgeon, I cannot promise that rubbing a mobile phone over the belly will diagnose appendicitis, so good luck with the app. But there are parts of the NHS where digital could really help. In Scotland, we have a system called PACS—the picture archiving and communications system—which allows radiologists elsewhere in the country to look at images. We have electronic prescribing, which saves time and effort as well as being a safety action, because we cannot prescribe a drug that the patient is allergic to, and it will pick up interactions. Electronic records make cancer pathways easier.

The Government's response is integration and I have supported that on many occasions in the Chamber. However, it is important how it is done. The NHS in England has gone round and the round the loop of reorganisation. It is critical that those integrated care systems have a statutory body at the top and that section 75 of the Health and Social Care Act 2012 is repealed to stop forcing the outsourcing of contracts. Tariffs also need to be tackled. Tariffs reward hospitals for admitting, when it is important that people are treated in the community.

We will make a difference only when the Government take a “health in all policies” approach. Poverty is the biggest driver of ill health, so stopping the welfare cuts would be a good start.

6.30 pm

**Priti Patel (Witham) (Con):** I welcome the Government's commitment to the 10-year plan and I commend Ministers for the way in which they have presented it. I also welcome the way in which the additional funding will provide a strong foundation for transforming the NHS and healthcare services across our communities.

One of the key challenges the NHS faces is how better to deliver primary care and integrate services locally and at a community level. Of course, the NHS must also meet growing demand and changing demographics.

The Minister will know that in my constituency, there is considerable population growth. The town of Witham is set to grow by 20%, but our healthcare services are naturally unable to keep up with that growth and demand. Among the four practices in Witham town, the patient-GP ratio is a staggering 2,500:1, which is 50% more than the national average. In other, more rural parts of my constituency, the ratio is 3,400:1. We all know about the pressures of growing demand. All hon. Members will have constituents who contact them when they struggle to get local appointments.

It is therefore right that the plan looks to a rethink on how to deliver primary care, for example, through bringing new partners on board, integrating services, including mental health services and other aspects of local delivery, and providing more of a one-stop stop for assessments, minor treatments and community services. The Minister will know about my campaign in Witham town to secure a new healthcare centre.

Importantly, the plan describes how it will improve outcomes for patients. No Member should lose sight of that. The plan includes reducing pressure on acute hospitals, integrating health, social care, and mental health and wellbeing services.

For my constituents, the litmus test of the plan is naturally the delivery of a new facility in Witham town. We must also ensure that the money will encourage better collaboration and investment in services, and improve the NHS in all our communities.

6.32 pm

**Mike Hill (Hartlepool) (Lab):** A couple of weeks ago in the train station café in Hartlepool, a constituent told me that her husband had stood outside their local GP practice for two hours to get her an emergency appointment, only to be told that there were none that day. That is not an uncommon occurrence in Hartlepool, where it is becoming increasingly difficult to access a GP. That is not the fault of GPs or practices, but a consequence of placing too great a burden on GPs over running clinical commissioning groups, and a fall in GP numbers.

The Government are calling for a major expansion of primary care and community services, saying that that is central to reducing the burden on hospitals and that they intend to introduce new 24/7 rapid response teams. Although we are making great strides in Hartlepool in

[Mike Hill]

tackling community and primary care needs, with ambitious projects such as creating a centre of excellence in the pipeline, improving access to GPs is vital.

I welcome the pledges in the plan to improve cancer care and diagnosis, and the greater focus on childbirth. In 2017, there were only three deliveries in the midwifery unit at Hartlepool hospital, putting it under threat. Now there are positive plans to bring about a return of full maternity services, including the creation of a maternity hub, guaranteeing the right for future citizens to be born and registered in our town. A lot of cross-party and multi-agency work has gone into this, and I hope that the Government, under their 10-year plan, will pledge to support these initiatives.

Finally, I welcome the admission that we need improvements to mental health, which for far too long has been considered the Cinderella service. Particularly for people in crisis, I would like improvements to emergency and urgent care, including the creation of local walk-in centres. There is a growing need to tackle mental health problems for children and young people. The announcement of a new NHS mental health workforce dedicated to supporting children in schools has been welcomed by many, including Barnardo's. However, the charity has concerns about early intervention and waiting times for assessment and treatment. Its chief executive, Javed Khan, has said that the Government

“does not show enough action on how as a society we are going to stop sleepwalking into a children's mental health crisis.”

I completely agree with him.

6.35 pm

**Henry Smith** (Crawley) (Con): Thank you, Madam Deputy Speaker, for calling me to speak in this debate on the NHS long-term plan. I have the privilege of being the chair of the all-party group on heart and circulatory diseases—I took over chairing it last year—and I was very pleased to set up the all-party group on blood cancer in 2016. I would like to speak about both of those in turn.

There are over 130 types of blood cancer, each with its own unique symptoms, treatments and side effects. It is the fifth most common cancer in the UK and, sadly, the third biggest cancer killer, with about 40,000 people diagnosed with each year. The rate at which it affects people is far greater than for breast and prostate cancer combined. Indeed, one in 19 people will be diagnosed with a blood cancer in their lifetimes, and about 240,000 people currently live with blood cancer in the UK.

The NHS long-term plan sets out a number of areas that affect blood cancer. On early diagnosis, the ambition to have 75% of all cancers diagnosed by stage 1 or stage 2 by 2028 is welcome, as many blood cancers are very difficult to diagnose at an early stage. A recent parliamentary answer from the Under-Secretary of State for Health and Social Care, my hon. Friend the Member for Winchester (Steve Brine), to the hon. Member for Scunthorpe (Nic Dakin) stated that there are 17 cancer sites for which no staging system exists and 67 cancer sites that are unstageable. Some blood cancers fall into these categories, and I would be grateful for clarification and assurances that these will be addressed.

I turn briefly to heart disease. Heart and circulatory disease still causes a quarter of all deaths in the UK. On average, it kills one person every three minutes or 420 people each day. The number of people living with heart and circulatory disease also remains high, at 5.9 million people across England, and there are over 42,000 premature deaths from cardiovascular disease each year in the UK.

I am delighted to see that the NHS long-term plan has a renewed focus on the prevention and early detection of the risk factors for heart and circulatory diseases. Four in 10 adults with high blood pressure remain undiagnosed, and it is estimated that one in five of those who have been diagnosed are not being optimally treated. By identifying more people who have these conditions, we can help to manage their risk and save more money and of course, crucially, lives.

I welcome the work that the voluntary sector does in supporting the NHS, and I am grateful to the Government for investing £20.5 billion more each year for the next five years in this very important service.

6.38 pm

**Grahame Morris** (Easington) (Lab): Thank you, Madam Deputy Speaker, for calling me in this debate. It is a pleasure to follow the hon. Member for Crawley (Henry Smith). I declare an interest as one of the vice-chairs of the all-party group on radiotherapy, and as a cancer survivor who was successfully treated with both chemotherapy and radiotherapy, thanks to an early diagnosis.

About one in four people receives some form of radiotherapy during their lives, and almost half of us in the UK will be diagnosed with cancer at some point in our lifetimes. These stark facts will I hope remind the Government of just how important it is that we invest in modern and accessible cancer diagnosis and treatments. In the brief time I have, I want to talk about chapter 3 of “The Long Term NHS Plan”, particularly section 3.62 on more precise treatments using advanced radiotherapy techniques.

On investment, the Government have promised to complete the £130 million investment in radiotherapy machines and to commission the proton beam machines at University College Hospital in London and the Christie Hospital in Manchester. However, I must respectfully point out to the Minister that that simply recycles announcements that have already been made, so this is not a comprehensive 10-year plan for radiotherapy.

As set out in the APPG's “Manifesto for Radiotherapy”, far more is needed over the next 10 years. We need an initial investment of £250 million and then an ongoing investment of £100 million each year. Reannouncing previous expenditure commitments falls far short of what is required and will not meet the stated objective, mentioned by other Members, of improving cancer patient outcomes through improved survival rates.

Although it is needed in over 50% of cases, access to advanced radiotherapy in England is very patchy, varying from 25% to 49%, depending on the region. It is far worse in some regions—in the south-west and in the Westmorland and Lonsdale constituency, the average is about 38%. Ideally, patients should not have to travel more than 45 minutes to access this form of treatment. Considerable additional investment will be required to

achieve that. At the moment, there is nothing specific in the plan to address that serious issue. The Government say they will increase the diagnosis of patients with stage 1 and stage 2 cancers. Again, we need more investment to do that.

I encourage all Members of the House, and indeed the Minister, to read the “Manifesto for Radiotherapy”, which highlights the importance and the important benefits of increasing the percentage spend on radiotherapy.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Dame Rosie Winterton):** Order. The winding-up speeches will start at 10 to seven. If people take less than three minutes, it will help others.

6.41 pm

**Nigel Huddleston** (Mid Worcestershire) (Con): If we are asking the NHS to be speedy and agile, I am sure we in the House can be.

I am glad to stand here today to talk about the great British institution that is the NHS and about how we can improve and protect it under this plan. Of course, we need to constantly transform and improve the NHS as our population grows and ages, and as treatment costs soar as we discover new but ever more expensive ways to treat previously untreatable diseases.

In Worcestershire, our acute hospitals are under immense pressure, with 10,500 A&E visits in January alone and an overnight bed occupancy rate of 93.7%. That fits into a wider national trend, with a 28% increase in hospital admissions over the past decade and an NHS in England that deals with 1.4 million patients every 24 hours.

That is where the 10-year plan really comes in, with a £20.5 million cash increase, funding for primary and community care increasing by £4.5 billion a year by 2023-24 and an ambitious target to make sure that, in 10 years' time, 55,000 more people will survive cancer each year. My ask of the Minister is that, as we increase this funding, Worcestershire also gets its fair share.

Of course, it is not all about hospitals and it is not all about funding, so I welcome the renewed focus on prevention, which we all need to take some personal responsibility for, as do the food and drink manufacturers and the advertisers. I also welcome the renewed focus on mental health and the parity of mental health. The £2.3 billion in extra funding will give 350,000 more children and 370,000 more adults the support they so desperately need.

In contrast to the hon. Member for Central Ayrshire (Dr Whitford), I welcome all the changes we will have as a result of digital and technology investment, which is meant not to replace humans, but to enhance their productivity. That is a fantastic improvement, which we should all welcome.

I will keep my comments short. I have further comments to make, but I am sure I can write to the Minister. I am confident that, as always, he will respond. I really welcome these plans and the focus today.

6.43 pm

**Bambos Charalambous** (Enfield, Southgate) (Lab): In May 2018, I introduced my private Member's Bill on palliative care. Investment in palliative care will help save the NHS billions. While the long-term plan deals with some aspects of end-of-life care, it does not go far enough. There is still a postcode lottery when it comes to hospice funding, with some areas getting up to 50% of their funding from clinical commissioning groups, while other areas get as little as 1%.

We will all be living longer, so it is vital that we put in place proper funding for hospices and end-of-life care. I am very lucky to have North London Hospice's health and wellbeing centre in my constituency. It provides excellent services for users, but I am still staggered that it has to constantly fundraise to keep them going. These services are vital and should not be dependent on people's charity. I ask the Minister to commit to making all clinical commissioning groups assess the need for palliative care in their area and provide funds accordingly to meet that need.

Another area where we need additional investment is the NHS workforce. To address the anticipated rise in cancer, with the rise in life expectancy, the Government need to ensure that measures are in place to deal with training, recruitment and retention of staff. Macmillan Cancer Support states that currently 2.5 million people in the UK are living with cancer. That figure is expected to reach 4 million by 2030. That will put huge pressure on the NHS cancer workforce in the foreseeable future.

There is a particular concern about breast cancer specialists. For every three breast radiographers who retire over the next five years, only two are expected to replace them. Breast Cancer Now has called on the Government to invest £39 million in recruitment for the breast imaging and diagnostic workforce, as part of the plan to cover the cost of training to fill clinical radiologist vacancies and to address the current shortfall of radiographers. The problem is being compounded by the delay in the production of phase 2 of the cancer workforce plan, which should be an integral part of the long-term plan. Health Education England must produce phase 2 of the cancer workforce plan, which looks at how many staff are needed to meet growing patient demand. That can then be set out in the 10-year cancer workforce strategy.

Unless the Government get workforce planning right, I have serious concerns that patients will suffer. I urge the Minister to take action to deal with these matters urgently.

6.46 pm

**Will Quince** (Colchester) (Con): Colchester Hospital has always been a good hospital, with caring compassionate staff. It has not been without its difficulties—it was in special measures from 2013 to 2017—but I am pleased to report that our hospital has turned a corner. It took hard work, determination and passion to get Colchester Hospital out of special measures, and I must pay tribute to all those who made it happen: the doctors, nurses, healthcare assistants, porters, cleaners, administrators and managers. In particular, I would like to praise Nick Hulme, the chief executive, who displayed incredible leadership in helping to change the culture of the



[Will Quince]

organisation, moving the emphasis away from getting out of special measures and instead simply concentrating on improving care.

The future of our hospital looks really bright. We have a merger with Ipswich Hospital creating resilience in the organisation, a world-class radiotherapy centre and a new imaging centre—the first of its kind in the country. It is now one of the best-performing hospitals for delivering the A&E four-hour standards. It is one of the best in the east of England for ambulance handovers and we have one of the lowest nurse vacancies for years. Staff want to come and work in Colchester, and that is fantastic.

As for the future, a new cancer centre is being built. I would like to thank all the kind donors and members of the public in Colchester and beyond who are helping to fund it. We still have about £200,000 to go, so I encourage people to support CoHoC, the Colchester Hospitals charity. The merger with Ipswich will create economies of scale and the potential for specialism and resilience. It will make our hospital trust more attractive to current staff as well as for recruitment. I thank the Minister for the £35 million of capital investment, the largest and most significant investment in decades. That will see an open, modern spacious entrance, and additional space in our A&E and urgent care centre. The key to the future of Colchester hospital is investment in primary care. We want fewer people having to go to our hospitals. Instead, we want them to be treated locally at super GP practices.

Finally, we want to see real and demonstrable improvements in primary care, not just richer GPs. We want to make sure that we are not taking staff from our hospitals and ambulance service, but bringing new people into our NHS. Otherwise, that will be counterproductive.

6.48 pm

**Dr David Drew** (Stroud) (Lab/Co-op): I shall be very brief and make one point.

I am pleased that this Government have seen the light. Whereas previous Governments made mistakes in going for large-scale reorganisations, this Government seem to have learned from them and I am very pleased about that. The problem is that trusts now seem to have turned their attention to community hospitals. I have two excellent community hospitals in Stroud and the Vale, but we are now facing the loss of radiography time. Minor injury units are not facing closure but they have restricted opening hours, and operating theatres are frequently left empty. That simply results in more pressure on acute hospitals, so it is counterproductive.

Will the Minister look at the impact on community hospitals, which are really important to rural areas? It is vital that we see them play an integral part in our NHS. Otherwise, we will just have A&Es snarling up and that is not acceptable in any way, so I hope the Government will invest time and effort and encourage trusts to reconsider the value of community hospitals.

6.50 pm

**Justin Madders** (Ellesmere Port and Neston) (Lab): With five and a half minutes of speaking time per year of the plan, I suspect that we have not quite done it

justice tonight. However, we did manage to hear from nine Back Benchers during the debate. While I cannot refer to everyone in the time I have, I want to draw particular attention to certain contributions.

My hon. Friend the Member for Hartlepool (Mike Hill) spoke about the importance of improving GP access—something we can all relate to—and the importance of mental health, a big driver of the 10-year plan. My hon. Friend the Member for Stroud (Dr Drew) made important points about threats to services in his constituency, and we heard such points across the Chamber. I was particularly pleased to hear from my hon. Friend the Member for Easington (Grahame Morris), who, of course, speaks about cancer treatment from personal experience. He rightly pointed out the deficiencies in the 10-year plan in relation to that. My hon. Friend the Member for Enfield, Southgate (Bambos Charalambous) was absolutely right to highlight the postcode lottery in palliative care. As with other areas such as neonatal care and IVF, it varies depending on where in the country someone lives. He also made a very important point about the cancer workforce.

I want to say a few words about the workforce. In recognising their invaluable work, which we thank them for, we also recognise—we on the Labour Benches do, at least—that without a fully staffed, respected and motivated workforce, the NHS would simply not be able to deliver the service that our constituents deserve. Last June, there was at last some Government recognition of the importance of the workforce, when the 10-year plan was announced. The then Health Secretary—now the Foreign Secretary—said:

“Alongside the 10-year plan, we will also publish a long-term workforce plan recognising that there can be no transformation without the right number of staff, in the right settings and with the right skills.”—[*Official Report*, 18 June 2018; Vol. 643, c. 52.]

We now know, however, that the workforce plan will not be with us until some time later this year, so is it not the case that without a workforce plan, we simply do not know how much of the 10-year plan is achievable?

As we know, the House of Lords Committee on the Long-term Sustainability of the NHS said that the lack of a workforce strategy

“represents the biggest internal threat to the sustainability of the NHS”.

Amazingly, the 10-year plan makes no reference to the actual numbers of staff expected to be employed during this period, so I put in a written question to the Minister about how many staff the NHS expects to employ by the end of the period covered by the 10-year plan. I was told in response:

“The Department does not hold the data requested.”

So there we have it in black and white: the Government do not have a clue.

**Matt Western** (Warwick and Leamington) (Lab): Does that not just underline the fact this evening’s debate has been so ridiculously short on such an important subject? We need more time; we need another debate.

**Justin Madders**: I thank my hon. Friend for his contribution. Of course, we were not actually meant to be here at all this week, but it is absolutely right that this debate took place tonight. We need another one and we will very shortly need a debate on the social care Green

Paper, when that is published. We also need a debate on what we are going to do about some of the legislative changes that the Government have promised, because all these things need to take place in the public eye.

**Anneliese Dodds** (Oxford East) (Lab/Co-op): Does my hon. Friend agree that we also need a debate on privatisation, given that we are seeing no public consultation on very significant changes, such as what is purported to happen to the PET—positron emission tomography—scan centre at Oxford University Hospitals NHS Foundation Trust, causing a huge amount of local concern?

**Justin Madders:** I thank my hon. Friend for her intervention. She is absolutely right. The Secretary of State has said on the record that he wants to stop privatisation, but we have identified a number of very important contracts lasting many years and costing millions of pounds that should be halted if the Government are going to stick to their word. It has not happened and it should.

The timetable for the publication of the plan has itself not gone to plan. Again, when the Foreign Secretary was Health Secretary, he said:

“we now intend to publish the social care Green Paper in the autumn around the same time as the NHS plan.”

I am not sure which autumn he was talking about for the social care Green Paper, but the intention was right, because, as he also said:

“It is not possible to have a plan for one sector without...a plan for the other”—[Official Report, 18 June 2018; Vol. 643, c. 52.]—

but here we are.

In conclusion, whatever fine words, gimmicks and spin we have in the 10-year plan, we know that the reality is that the NHS is on its knees and that it cannot survive another decade of Tory Government. It is time for Labour to come to the rescue again.

6.54 pm

**The Minister for Care (Caroline Dinage):** I thank hon. Members from across the House for their contributions to this debate. It is clear there is agreement on the importance and value we place on our national health service. That is why the long-term plan is such a historic moment for the public, for patients and, of course, for the staff who work tirelessly to make our NHS one of the most enduring British success stories.

I will try to respond to as many of the speakers as possible, but I agree we need a much longer debate to fully do justice to this important subject. It has been quite a collegiate debate, with Back Benchers from across the House having welcomed many of the promises in the long-term plan, although not so much the shadow Front-Bench team, whose attitude I will quickly sum up: they do not like it unless they thought of it first, and we are not putting in enough money, although considerably more than they promised in their 2017 manifesto until they did a back-of-the-fag-packet recalculation. Why can they not celebrate our NHS? Why can they not celebrate the fact that the Government are making the single biggest cash investment in our NHS in its history? Some will question, of course, whether the funding is enough for the health service to implement this vital transformation, but I remind them that this is a fully

costed plan developed by NHS leaders and clinicians within the budget agreed by the NHS and with the Government.

We must also remember that the future of the NHS is not just about the additional £33.9 billion cash injection by 2023-24; it is about spending every single penny of taxpayers' money wisely—in five years' time the NHS budget will be £148.5 billion—which is important because our NHS is under more pressure than ever before. As my hon. Friend the Member for Mid Worcestershire (Nigel Huddleston) said, demand on A&E from type 1 attendances was 6.8% higher this January than last January—that is 2,700 more people through the doors every single day.

Of course, publishing one document will not translate all the long-term plan's objectives into reality, which is why the NHS will develop a clear implementation framework by the spring to set out how the commitments should be delivered by local systems and ensure transparency for patients and the public. It is also why the Secretary of State has commissioned Baroness Harding, working closely with Sir David Behan, to lead a number of programmes to develop a detailed workforce implementation plan. The first stage of that will be revealed in the spring, and the rest will come forward in the autumn.

A key focus of the long-term plan is the importance of improving the patient experience, safety and flow through hospitals. The plan will support the reform of urgent and emergency care services to ensure that patients get the care they need quickly, relieve pressure on A&E departments and manage winter demands. Improving out-of-hospital care will ensure that people are treated in the most appropriate setting to avoid unnecessary visits to hospital and support quicker discharge.

Hon. Members spoke about the importance of local provision, community hospitals and local GP services. It is important that these services be decided and led by local NHS organisations that understand the local community healthcare needs, but of course we expect the NHS to work collaboratively to ensure that both urgent and routine care needs are met in a way that ensures the best possible use of NHS resources. Investment in primary and community services will increase by at least £4.5 billion, and spend on these services will grow faster than the rising NHS budget. Funding will be provided for an extra 20,000 other staff working in GP practices.

The long-term plan sets out how we will improve prevention, detection, treatment and recovery in respect of major diseases, including cancer, heart attacks and strokes—hon. Members have mentioned those today. Patients can expect the introduction of new screening programmes, faster access to diagnostic tests and new treatments and the use of technology, such as genomic testing. NHS England is already testing innovative ways of diagnosing cancer earlier, with sites piloting multidisciplinary diagnostic centres for patients with vague or non-specific symptoms, such as those common in blood cancers. The Government have pledged to roll out rapid diagnosis centres nationally to offer all patients a range of tests on the same day with rapid access to results.

Mental health has also been raised. The long-term plan renews the commitment to grow investment in mental health services faster than the NHS budget overall, with at least £2.3 billion in real terms.

[*Caroline Dinenage*]

The Government's commitment to the health service is clear and undeniable. Our historic funding settlement has enabled the NHS to create a plan for the future of the system which will benefit patients now and generations to come. We will continue to support this system as it begins to put our plan into practice.

I thank the Members who have spoken this evening, and I will write to those to whose points I was not able to respond.

*Question put and agreed to.*

*Resolved,*

That this House has considered the NHS Ten Year Plan.

## Business without Debate

### SPEAKER'S COMMITTEE FOR THE INDEPENDENT PARLIAMENTARY STANDARDS AUTHORITY

*Ordered,*

That the Motion in the name of Andrea Leadsom relating to the Speaker's Committee for the Independent Parliamentary Standards Authority shall be treated as if it related to an instrument subject to the provisions of Standing Order No. 118 (Delegated Legislation Committees) in respect of which notice has been given that the instrument be approved.—(*Rebecca Harris.*)

### DRAFT REGISTRATION OF OVERSEAS ENTITIES BILL (JOINT COMMITTEE)

*Resolved,*

That this House concurs with the Lords Message of Tuesday 23 October 2018, that it is expedient that a Joint Committee of Lords and Commons be appointed to consider and report on the Draft Registration of Overseas Entities Bill presented to both Houses on Monday 23 July 2018 (Cm 9635).

*Ordered,*

That a Select Committee of six Members be appointed to join with a committee to be appointed by the Lords for this purpose;

That the Committee should report on the draft Bill by Friday 10 May 2019;

That the Committee shall have power:

- (i) to send for persons, papers and records;
- (ii) to sit notwithstanding any adjournment of the House;
- (iii) to report from time to time;
- (iv) to appoint specialist advisers; and
- (v) to adjourn from place to place within the United Kingdom.

That the quorum of the Committee shall be two; and

That Peter Aldous, Emma Dent Coad, Mark Menzies, Mark Pawsey, Lloyd Russell-Moyle and Alison Thewliss be members of the Committee.—(*Rebecca Harris.*)

## St Helier and St George's Hospitals

*Motion made, and Question proposed,* That this House do now adjourn.—(*Rebecca Harris.*)

7 pm

**Siobhain McDonagh** (Mitcham and Morden) (Lab): Let me start by putting on the record my respect and admiration for every single doctor, nurse, clinician and staff member at both St Helier and St George's hospitals for their outstanding service and dedication to the health and welfare of my constituents. These remarkable individuals go above and beyond, despite facing extraordinarily testing circumstances—nine years of austerity have left our treasured NHS desperately short of staff, services and supplies.

For my constituents, however, the biggest threat to our local hospitals is far closer to home. It is in the wild west of south-west London's NHS, which is once again pursuing desperate attempts to close all acute services, including the major A&E unit and the consultant-led maternity units at St Helier hospital. The impact that that would have on St George's hospital, would, I believe, be devastating.

This evening I want to outline the reality behind the latest threat to St Helier, branded "Improving Healthcare Together 2020-2030". I want to challenge every foundation on which that programme has been built, and I want to appeal to the Minister to step in before we see the decomposition of health services that are vital to my constituents. However, I want to start with some history.

For nearly two decades, the NHS in south-west London has pursued several irresponsible attempts to close the acute health services at St Helier hospital, on the border of my constituency, and move them to leafy, wealthy Belmont in Sutton. Under different titles and brands, and in the guise of countless NHS-funded marketing consultants, the proposal is on repeat, and an estimated £50 million has been wasted on almost identical consultations and programmes. Each one starts afresh, portraying to the public a neutral outlook when it is being decided where acute health services should be placed in south-west London.

The Minister may remember that, back in 2015, secret proposals to close St Helier and build a new super-hospital in Sutton were overheard by a BBC reporter on a train, which brought those plans to an embarrassing end. Fast-forward to 2017 and the programme was repeated, this time entitled "Epsom and St Helier 2020-2030", and once again professing to assess the pros and cons of where to base acute health services. The public support expressed by chief executive Daniel Elkeles, the man running the programme, for moving the services to Sutton somewhat clouded the neutrality of the process.

**Paul Scully** (Sutton and Cheam) (Con): Does the hon. Lady not agree that the proposal that immediately preceded this was to close facilities at St Helier and move them to St George's in Tooting, which was universally unpopular? The proposal that is now on the table, on which I certainly hope there will be a public consultation, refers to one of three sites, and includes a reference to locating a new facility at St Helier hospital.

**Siobhain McDonagh:** My recollection of that particular consultation was that that was really the scorched earth strategy of deciding that St Helier and Epsom were going to close and St George's would take the strain. I



thank God that that never happened, because we could be in an extraordinarily difficult position had it ever happened.

I might sound cynical when I talk about the NHS and its bias against my constituency and against services being at St Helier Hospital, but I have been here several times before. A freedom of information request revealed that those running the programme only distributed consultation documents to targeted areas around their preferred site and to just a handful of roads in my constituency. But my constituents care passionately about their local health services and will not be ignored, and 6,000 local residents responded to the programme by calling for St Helier to retain all its services on its current site.

**Jim Shannon** (Strangford) (DUP): I thank the hon. Lady for giving way. I sought her permission to intervene beforehand because I am always very interested in health issues, and I am here to support her as well. Centralising the health service means that the ill and the vulnerable and pregnant women are expected to travel for miles to get medical assistance. That is totally absurd. Surely the health of the patient must always be put first and foremost.

**Siobhain McDonagh:** I agree with the hon. Gentleman, but it is about not just distance travelled but who is travelling that distance: do they have access to a car, or do they have public transport? The NHS constitution requires that equalities legislation is taken into account, particularly looking at disadvantaged people who are in poor health and how they access services, because they access services differently.

As I said, my constituents care passionately about local health services, and when they responded to the consultation 6,000 of them sent in cards explaining how they felt and saying that they wanted St Helier to retain all its services on its current site. Can you imagine the anger when I found out that their responses had been discounted by the programme? Why? Because they were not on the official documentation—the same documentation that had been disseminated in those targeted letterboxes far away from my constituency.

To the public, the trust portrayed a neutral stance whereby a suitable site across south-west London would be selected for their acute services. To the stakeholders in Belmont, it confessed its desire to move the services to their wealthy area, and to mine, it pretended that the consultation would genuinely seek the views of the public. But as my mum always says, much gets more. I would like to put on record that while I fundamentally disagree with the desire to take services away from my constituents, I do recognise Mr Elkeles' hard work and dedication in leading St Helier Hospital.

We now fast-forward to the present day and the latest brand, "Improving Healthcare Together 2020-2030", a programme built upon the unstable and unscrupulous foundation of its predecessors and that once again considers the pros and cons of moving St Helier Hospital's acute services 7 miles west to Epsom or south to leafy Belmont in Sutton. The programme was launched last summer—they always choose the summer—undertaking an initial public engagement that is expected to transition to a public consultation this coming summer. But just 837 people responded to the public engagement, and

that is including hundreds of NHS staff and 169 comments on Twitter or Facebook. That is an utterly abysmal response considering the £2.2 million of taxpayers' money squandered on the programme already. Does the Minister agree that this is a complete misuse of taxpayer funds at a time when our NHS is under such overwhelming pressure?

This is about more than just the future of St Helier Hospital. My constituents tell me that if St Helier Hospital were to lose its acute services, they would turn not to Epsom or Sutton but east to Croydon University Hospital or north to St George's. That is a completely terrifying prospect. Before Christmas, my constituent, Marian, was left queueing outside St George's Hospital with her left leg badly infected, because the A&E was full. And that was the calm before the storm, with St George's A&E facing its busiest ever week just a fortnight ago. We all remember the winter crisis last year, but the first full week of February this year was 16% higher than last year's equivalent, with a simply staggering 600-plus visits every single day. This is a hospital that already relies on St Helier as its safety valve. The maternity unit at St George's had to close temporarily in 2014 and 2015, directing women who were already in labour to St Helier Hospital.

That is why a letter sent in November from the chair of the St George's trust to those running the programme is completely astonishing. In the letter, the chair expresses her concern that

"there is no formal requirement to take account of the impact on other providers"

when deciding where to relocate acute health services across south-west London. It is hard to put into words just how dangerous that disregard is. I should like to pause briefly to thank the chief executive of St George's Hospital, Jacqueline Totterdell, for her hard work and tenacity in steering one of London's largest hospitals at a time of such difficulty.

St George's is a hospital already under immense pressure. The plumbing, ventilation and drainage facilities are at breaking point, leading to a bid for £34 million of emergency capital from the Treasury. Does the Minister agree that a recent outflow of sewage in the hospital A&E is a clear sign that such emergency funding is justified and, more importantly, urgent? How busy does she think the same A&E would be if the local NHS were to get its way and move St Helier's major A&E to wealthy, leafy Belmont? Will she step in today and require any proposal to reconfigure health services to wholeheartedly take into account the impact that such a decision would have on all other nearby health providers?

Merton Council recognises the devastating impact that these proposals could have, and I would like to put on record my thanks to leader of Merton Council, Stephen Alambritis, the cabinet member for social care, Councillor Tobin Byers, and the director of community and housing, Ms Hannah Doody, for their unflinching support. It is so disappointing that those at Sutton Council can stand so idly by.

By law, when deciding where acute services should be based across a catchment area of this size, it is fundamental that the level of deprivation and local health needs are accurately understood and thoroughly assessed. So I read from cover to cover the deprivation and equality analysis produced by a range of external consultancy

[Siobhain McDonagh]

services as part of their £1.5 million programme fee. At a time when the NHS is so strapped for cash, it is extraordinary that my local NHS seems to have carte blanche to employ so many consultants on such extraordinary rates. But even I was absolutely astounded by the monumental gaps in the analysis that these consultants have delivered.

In the pieces of analysis on deprivation and equality, areas that rely on St Helier Hospital are either absent from the documents or actively described as falling outside the catchment area. Take Pollards Hill in my constituency, an area that would be considered deprived in comparison with much of Sutton or Epsom. Wide Way Medical Centre is the largest GP surgery there, and it directs 34% of its patients to St Helier Hospital, but Pollards Hill is deemed to be outside St Helier's catchment area. Why does this matter? Because if areas that rely on St Helier Hospital are not even considered in the analysis, how can the potential impact of moving acute services from the hospital be adequately assessed? Pollard's Hill is not alone. The report does not mention Lavender Fields despite almost a fifth of Colliers Wood surgery patients and Mitcham family practice patients being directed or referred to St Helier from the ward.

I urgently brought the gaps in the analysis to the attention of those operating the programme and Jane Cummings, the NHS's chief nursing officer. I was pleased that everyone agreed that such significant analysis shortfalls would be addressed and rectified.

**Paul Scully:** The hon. Lady is being generous in giving way. Does she agree that Colliers Wood is pretty much smack-bang next to St George's and that the proposal on which last year's public engagement was based was that 85% of current patients would still be treated in their current hospital, whether St Helier, the proposed Sutton site or Epsom?

**Siobhain McDonagh:** There is no reason why the hon. Gentleman should know this, so I am not trying to be tricky, but Colliers Wood surgery is the title of a split-site GP surgery. One site is on Lavender Avenue off Western Road—the hon. Gentleman probably knows Western Road from driving up and down it a lot—in the heart of one of the most deprived areas in my constituency, and many people there go to St Helier hospital. The idea that we could remove an A&E and a maternity unit and keep what is left is complete nonsense, because all the blood and testing facilities and all the talented doctors and nurses simply would not stay there. Chase Farm Hospital, which is in the constituency of my right hon. Friend the Member for Enfield North (Joan Ryan), is a wonderful example of such a situation, and Members may want to have a look at it.

I pointed out that areas in my constituency and large surgeries had not been included in the analysis, and I was promised that they would be. However, months have passed, and the process has proceeded unscathed, with no indication of when such significant gaps will be remedied.

The icing on the cake came in December when three behind-closed-doors workshops based on the deficient evidence were run by the programme. They were designed

“to inform the Governing Bodies decision making process about how the community and professionals ranked each of the three potential sites for acute hospital services”.

Let me be clear: hand-picked professionals and members of the public used incomplete evidence to rank Sutton as the preferred site for acute services. The Minister will not be surprised to hear that more participants in the workshops were from Sutton than from Merton or Epsom. How can a fair, balanced and rounded opinion be accrued from workshops based on flawed evidence and disputable criteria and with an unrepresentative group of people? For the findings to be used in any capacity in the decision-making process would be completely unacceptable.

Of course, I understand that figures and analysis can always be skewed in one direction or another. Someone wanting to disguise the 76.5-year life expectancy of men in Mitcham West in my constituency could include the 84.4-year average in Wimbledon Park and classify the figures by the borough of Merton as a whole. They could count cancer rates, stroke rates, mortality rates by borough rather than by ward or lower super output area. They could ignore deprived parts of the catchment area and proceed full steam ahead with the programme.

When will the gaps in the analysis be completed? When will taxpayers' money stop being splurged on flawed and biased consultations? When will the madness end? Here is the reality: there are over twice as many people with bad or very bad health within a mile of St Helier than there are living within a mile of the Sutton site, and almost four times the number within a mile of Epsom. Around St Helier, the local population is significantly larger, with considerably more dependent children and more elderly people. Furthermore, the population local to St Helier is far more reliant on public transport, with residents statistically less likely to have access to a car.

Despite all that, when I secured—I can hardly believe it myself—£267 million from the Department of Health and the Treasury under both the Labour Government and the coalition Government to rebuild St Helier Hospital, guess what happened? The local NHS sent the money back. Can the Minister confirm whether the hospital will again receive its funding this time round?

It is time for some accountability and for the Government to step in before even more money is wasted and the future of both St Helier and St George's is thrown into jeopardy. Leave these vital services where they are most needed: at St Helier Hospital, on its current site.

7.20 pm

**The Minister for Care (Caroline Dinéage):** I congratulate the hon. Member for Mitcham and Morden (Siobhain McDonagh) on securing this incredibly important debate on the future of St Helier and St George's hospitals. I thank her for her continuing interest in healthcare services in south-west London over many years. She has been a passionate, highly motivated and extremely effective advocate for the interests of her constituents, and I am sure many of the points she has raised today will be heard beyond these four walls.

The hon. Lady is rightly concerned about the future of services at St Helier Hospital, which is run by Epsom and St Helier University Hospitals NHS Trust, and particularly about the future of its A&E service. She is

right that the organisation of acute services in south-west London appears to have been discussed for a number of years. In the interest of time, I will not set out the timescales and all the things that have occurred over that period, as she has already articulated it well.

In June 2018 the clinical commissioning groups published an issues paper, which outlined the challenges faced by the local healthcare system and the four key local aims: improving the health of the population; delivering care as close to patients' homes as possible; ensuring high standards of healthcare across all providers; and maintaining the provision of major acute services within their combined geographies. The issues paper set out a provisional shortlist, with three potential options for acute care: locating major acute services at Epsom Hospital and continuing to provide all district services at both Epsom and St Helier hospitals; locating major acute services at St Helier Hospital and continuing to provide all district hospital services at both Epsom and St Helier hospitals; or locating major acute services at Sutton Hospital and continuing to provide all district services at both Epsom and St Helier hospitals.

The CCGs invited comments and suggestions from local stakeholders over a period of three months. The CCGs stressed that the proposals do not involve closing any hospital. At this stage, they say, they do not have a preferred local proposal. I understand they are continuing to work with local partners to further develop the proposals, which will include a full options appraisal, an impact assessment and the development of a pre-consultation business case that will, of course, have to undergo NHS England assurance. I am sure the hon. Lady will make her thoughts known to NHS England.

**Paul Scully:** Does my hon. Friend agree that one thing many people in Sutton and Merton do not have, because St Helier is such an old hospital, is a possible £400 million brand-new facility, which would bring benefits no matter where it is located?

**Caroline Dinéage:** My hon. Friend makes an excellent point, and that is why it is important that no significant changes are made without consultation so that local people's views can be taken into consideration. The CCGs will need to consult the public fully before making any decisions about a new hospital or changes to the configuration of acute services, but clearly any form of investment is welcome.

**Siobhain McDonagh:** Lists of NHS capital programmes in London have appeared in various newspapers, with Imperial College Healthcare NHS Trust at the top of those lists—Charing Cross and other hospitals are in that group. St George's is desperate. Sewage came through the sinks and toilets in its A&E only a few weeks ago. It is not sure whether the electrics are going down, or whether the plumbing, the water and the water systems have caused considerable health problems to patients. Who is getting the money? Is it all going to south London? It would certainly all have to go to south London if there were to be a brand-new hospital anywhere.

**Caroline Dinéage:** The hon. Lady asks an excellent question. The CCGs are working closely with NHS England and NHS Improvement to develop the programme's capital scheme prior to the next spending review, with a

view to NHS England and NHS Improvement presenting the scheme for funding. They expect the public consultation on their proposals not to take place until after the next round of capital bids is concluded, which is likely to be after the autumn. There is a duty to carry out a travel times analysis when developing proposals, and this will be included in the consultation. CCGs also have duties to reduce inequalities. She spoke a lot about the inequalities in her area, and an impact analysis of that has to be done.

I understand that the hon. Lady is also concerned that any potential changes could increase pressure on St George's hospital, and she is absolutely right to raise that important point. The Department is clear that NHS England and local NHS organisations must think about potential impacts on other services, which is why we are developing a more strongly regional approach in designing NHS services. CCGs must consider the impact on neighbouring hospitals close to the CCG boundary, such as St George's. Changes to A&E services at any one hospital potentially have an impact on a number of surrounding hospitals, so the three CCGs have to engage with their neighbours throughout this process. In addition, the neighbouring CCG can respond to any public consultation and its response must be taken into account.

On the next steps, the hon. Lady will be aware that the reconfiguration of services is a matter for NHS England and local NHS bodies. Such matters have to be addressed at local level rather than in Whitehall because local organisations understand the needs of their community. No changes to the services people receive can be made without formal public consultation. They must have support from GP commissioners, demonstrate strengthened public and patient engagement, and have a clear clinical evidence base. They must also be consistent with the principle of patient choice. The NHS England test on the future of use of beds requires assurance that the proposed reduction is sustainable in the longer term. The Department is very clear that throughout the service change process local NHS organisations have to engage with the wider public and with the local MP on these issues, so I am sure that she and her constituents will take part in any local engagement as plans move forward.

The challenges facing the health economy in south-west London have been widely understood for a number of years. I recognise and appreciate that potential changes to local health services are often a cause of great worry and that they inspire impassioned debate among those involved. It is time for local partners to work together to find a solution which, as the hon. Lady said, has to be right for the people of south-west London and will secure a sustainable configuration of health services in the future. I thank her again for her continued dedication to these health matters.

**Paul Scully:** The Minister mentioned the fact that the consultation might be done after the spending review. I have written to the Secretary of State asking whether he would consider looking at that again, because the mayoral election is coming up next year and the purdah period will mean that this will, in effect, be delayed for a whole year. Anything more that can be done to bring it forward would be very helpful.

**Caroline Dinéage:** In the nick of time, my hon. Friend makes that point well, and I will definitely make sure that it is passed on.



**Siobhain McDonagh:** Will the Minister unequivocally put on the record that any consultation document has to go everywhere or nowhere, and that some consideration must be given to how much things cost? I am amazed that the NHS gets so few people to turn up to events that it spends so much money on.

**Caroline Dinéage:** The hon. Lady makes an excellent point. It always amazes me how few people engage in some of the consultations, which are often discussing huge sums and affect really important day-to-day provision of essential care services in their area. Yes, consultation

has to go to the whole area—indeed I have already spoken about how it needs to go beyond the area and look at the impact on other local services and the people who use them. She is absolutely right to say that consultation has to be effective and it has to ask everybody who might be affected by any changes. With that in mind, I thank her again for her continued dedication to her constituents.

*Question put and agreed to.*

7.29 pm

*House adjourned.*

# Westminster Hall

*Tuesday 19 February 2019*

[GERAINT DAVIES *in the Chair*]

## Free Childcare: Costs and Benefits

9.30 am

**Darren Jones** (Bristol North West) (Lab): I beg to move,

That this House has considered the costs and benefits of free childcare.

It is a pleasure to serve under your chairmanship, Mr Davies. I probably ought to declare that I am father to 14-month-old Ophelia and expectant father to another child, which is on its way, so I have a vested interest in this topic. Somewhat ironically, a number of colleagues asked me to express their disappointment at not being able to make the debate, given that this is half-term week. This week was supposed to be a parliamentary recess, but the Government cancelled it, so the debate was drawn for a time when lots of colleagues have to look after their children.

The motion refers to free childcare. Clearly there is no such thing, given that someone will always have to pay—parents directly, the state or a bit of both—but the premise of my argument is that childcare that is fully funded by the state should be seen as a redistributive investment rather than a cost. Such an investment could create a more productive, more equal and happier country due to the contribution that fully paid childcare can make to the economy, the impact it can have on tackling class and gender inequality, and what it can do for family happiness.

It is worth summarising where we are today. I think it is fair to say that most parents, if not all, would say the childcare system is far too confusing. Someone with a two-year-old child can get 15 hours of childcare per week if they receive certain benefits or have a child with disabilities, or if the child is looked after by the local council, but parents who do not fit into those categories have to fund the equivalent childcare or not be in work to look after their children. For children aged three or four, parents can get 15 hours of childcare per week until reception class for up to 38 weeks each year, and an additional 15 hours per week can be claimed by a single parent in work, a couple of parents earning less than £100,000 a year—that is, of course, a generous income bracket—and those in some other technical situations.

On top of that, we also have childcare vouchers, tax-free childcare, working tax credits and universal credit. Childcare vouchers are claimed through work, but the Government are phasing them out. Tax-free childcare involves a prepayment top-up by the Government, with parents using an online system to make payments to registered childcare providers, but is only for those who do not receive childcare vouchers. People on low pay can claim universal credit or working tax credits, but doing so means they cannot claim tax-free childcare.

All those schemes rely on someone receiving a regular income from employment, creating difficulties for those who rely on commission—one of my constituents, who

is an estate agent, found it very difficult to evidence her income to fit into some of those categories—who are in flexible work or who are self-employed. I recognise that the Government have made welcome changes to tax-free childcare for those in self-employment, but those difficulties come up frequently in my constituency surgeries. That is especially true for tax-free childcare, which has been mired in IT problems since its launch. Parents now have to take the time—every three months, I think—to log in, register their children and make payments into the system, and must find a childcare provider that is able to receive money through the system.

There were significant problems, which have now been fixed, for people with children with disabilities. Those people get a 40% top-up rather than a 20% top-up, but that was not calculated properly on the system. Constituents in well-paid jobs told me they were having to think about selling their car in order to pay for their childcare and stay in work. That just cannot be right. Not only is the system too confusing but parents do not use it because it is too much hassle. Only last week, we heard that only one in 14 eligible families claim their tax-free childcare. The system is too hard to use—it is too confusing—and parents are not using it.

All that is in the context that childcare is an enormous cost in the family budget. In 2014, which I appreciate is now some time ago, the Family and Childcare Trust conducted research into the cost of childcare across the country and concluded that, on average, families pay about £10,000 a year. That cost will now be higher, because of welcome changes such as having to pay the living wage and other costs faced by childcare providers.

Even with families paying such large costs, however, the system is still not sustainable. Childcare providers tell me that they cannot afford to make ends meet without applying additional costs to families, on top of the core costs of childcare. A Twitter follower of mine made the point that, under Government-funded childcare, and obviously with the right ratio of staff to children, her childcare business receives only £3.84 per hour per child. She says she is on the brink of closure. We have a system that is too complicated, that parents are not fully using, that is not sustainably funded and that is bringing the childcare system to the brink of closure.

**Chris Elmore** (Ogmore) (Lab): My hon. Friend is making an eloquent speech on the realities that parents face. I congratulate him on his wonderful news. The situation in Wales is different, and I may come back to that in a later intervention.

I have anecdotal evidence that, in order to reduce the pressure on family budgets, lots of my friends who are our age and who have children find it more cost-effective to work part time or to rely on elderly relatives—not just grandparents but great-grandparents in some cases—for childcare. Does my hon. Friend agree that, in the long term, regardless of which Administration lead on childcare, that is simply not sustainable?

**Darren Jones:** I agree with my hon. Friend and thank him for his intervention. It has been shown that parents—especially mums, as I will come on to in a moment—often go from working full time to part time and do not return to full-time work until their children are in primary

[Darren Jones]

education. They are out of the labour market for years when they may wish to be in it. That is a systemic issue associated with the pressures of childcare.

I am not moaning about looking after children; I enjoy looking after my children. However, the fact of the matter is that I also want to contribute and to have a career, as does my wife. We should not have to live in a system where having a career is a trade-off between one and the other; where the childcare system is not fit for purpose; and where our way of life does not allow us fully to contribute to the success of the economy. The system is ripe for reform, not only so that we can help families or spend taxpayers' money more efficiently but to create a country in which we can all be happier and more productive.

Moving on to the economy, OECD research shows that moving to a culture in which men and women are able to share parental duties, without mum or dad trading off who looks after the child, and therefore creating equal participation in the labour market, would increase GDP by about 10% by 2030. Under their current policies the Government seem to be in the mood to surrender GDP growth in the coming years, so reform of the childcare system may be a welcome contribution to increasing GDP.

This issue is particularly relevant to parents of children with disabilities, who find the system even harder and more expensive. I am proud that the Flamingo Chicks charity in my constituency teaches ballet to children with disabilities because there was no such provision. It not only provides excellent services for young people in Bristol and across the country—it is a growing organisation—but does research, too. I hosted the charity in Westminster a few weeks ago, when it launched research showing that only one in 10 dads feels able to tell their employer that their child has a disability. They fear telling their employer because they think that it might impact on their career. How sad is that? People ought to be able to tell their employer that they need to claim their right to flexitime or childcare leave in order to care for their children. In order to maintain their career, they should not feel pressured into having to put their job first and hiding the fact that they have children who need to be looked after. That is entirely incorrect.

I am also pleased that several Bristol businesses have signed up to the new Flamingo Chicks employers' charter, under which employers should proactively encourage their staff to take flexitime, if required, to look after their children—whether they are disabled or otherwise—and which encourages policies to support staff in playing a more positive and proactive role in looking after their families without it having an impact on their career.

If more parents are in work, it has the obvious benefit of more people paying tax, which, which is welcome and helps to fund systems such as these. That is especially true for in respect of properly funded childcare providers. If we have a sustainable, fully funded childcare provider system across the country, we will create lots of reasonably well paid jobs that people value. Creating a public service we can be proud of will help us to rebalance the regional economies, invest in the next generation and help families to do better today.

Some have suggested that fully funded childcare could increase economic productivity because it would give parents more flexibility around their working days and

around the way in which they take time off work to care for their children. That means that we would get more output from them at work, because they would not have to take so much time off at short notice or reduce their hours to fit what the current childcare facilities provide.

The Minister may wish to refer to some studies, including that from the Institute for Fiscal Studies, that say that there is little connection between childcare policies and parents in work. Of course, some parents will choose to stay at home and care for their children, and it is absolutely their right to do so, but surely we would not wish to miss the prospect of increasing GDP, tax returns and productivity. Surely we should aim to help those who want to be in work to lead more productive and meaningful, less discriminatory and happier lives. Not that long ago, the Government started to measure happiness—I think it was under Prime Minister Cameron. I do not know whether they still do so, but it would be interesting to see the statistics.

Moving on to gender and class, we should not shy away from the fact that the childcare system facilitates discrimination in the workplace and the education system. Gender inequality is obvious, isn't it? The Government admitted that in testimony for the Treasury Committee's excellent report on childcare of March last year. In that inquiry, the Chief Secretary to the Treasury said that women having children end up on the "mummy track"—that well-known phrase—doing less skilled work than they are perfectly able to do, for a salary that is less than they are worth.

The Institute for Fiscal Studies, in its report on wage progression and the gender wage gap, said that by the time a woman's first child is 20, she will have lost on average three whole years' worth of salary compared with men, and will have spent the equivalent of 10 years out of work in terms of time lost, loss of progression and lack of career development. Those are enormous numbers; it is an enormous impact. Even in our increasingly modern society, it is disproportionately applied to women and mums.

In my view, we should talk more about class inequality. The childcare system has a really important role to play here, too. The Sutton Trust and others have shown that, by the time children leave secondary school, the attainment gap in terms of education, training and skills, means that children from disadvantaged backgrounds have lost nearly two years' worth of schooling, compared with those from more advantaged backgrounds. That has to be unacceptable in our country. We know that the class gap starts from the earliest of ages, with attainment gaps of more than four months of equivalent schooling having been noted at the compulsory education age of five.

I saw that frequently, because I used to be the chair of governors at the primary school that I used to go to in what is now my constituency. Everyone who has been a governor knows that they look at lots of data on progression, attainment, attendance and all that stuff. The primary school is in Lawrence Weston, where I am from, which still has one of the lowest levels of attainment in the country for education, training and skills. When children come into the reception class, the gap between those who are the most prepared for mainstream education and those who are the least is really quite significant. Primary schools like Nova Primary School—it was called Avon Primary School when I was there and it was



not an academy—put in enormous effort to try to bring children up to the average by year 6. Primary schools do a really good job, but it takes a huge amount of effort and support from teaching staff and teaching assistants to get them there.

Then, of course, the environment changes in the secondary education system—there are more children and less one-to-one support—and the children who were brought up to the average in year 6 start to fall back again. That is when we get an attainment gap at the end of secondary school of so many years' equivalent of educational outcome, compared with those from more advantaged backgrounds.

**Alex Cunningham** (Stockton North) (Lab): I congratulate my hon. Friend on securing the debate. We should target childcare at the poor more comprehensively, because as he has described, when children arrive in school they are sometimes not ready—they are not even properly toilet trained and they cannot use a knife and fork. Does he agree that we should lament the number of Sure Start centres that have gone to the wall recently? They provided the foundation for better preparing those children for school.

**Darren Jones:** I agree entirely. I am pleased that, in Bristol, we have managed to keep our children's centres open by coupling them with nursery schools in the majority of cases, and by creating a funding environment that means we have not needed to close them.

We do not need to look far from my constituency, however, to see how many centres have closed around the country under the current Government. I wish that my predecessors in the Labour Government had thought about the scheme sooner, because they introduced it late in their time in government. It was the right thing to do and I hope that we will be able to reintroduce such schemes under a future Labour Government. The evidence is clear: intervention at an earlier age is essential for tackling the inequality gap.

I will touch on maintained nursery schools and the link to childcare.

**Chris Elmore:** My hon. Friend talks about the closure of centres across England, but of course things are different in Wales. In my constituency, two new Flying Start centres have opened in the last two years. I was previously a cabinet member for education in a local authority in Wales and we continued to open such Flying Start centres.

All the evidence from Welsh Government analysis and local government analysis shows that early intervention works. It can be clearly shown that, where early intervention takes place around potty training, interaction with adults and early learning, as my hon. Friend the Member for Stockton North (Alex Cunningham) mentioned, it makes a huge difference. Things can be done differently and are being done differently by the Labour-led Welsh Government.

**Darren Jones:** I declare an interest because there are two islands within my constituency—Steel Holm and Flat Holm. One of them officially belongs to Wales, so I class myself as a Bristolian and a Welsh MP. I take great pride in joining my hon. Friend in recognising the achievements of the Labour Government in Wales and I long for such achievements in Westminster too.

One issue with the Sure Start centres was that some data suggested that they were being utilised most by more middle-class families, although the policy intention was to tackle the inequality gap that I have referred to. My argument is that a fully funded childcare system, because it is considered a public service, is not seen as a nanny state or someone trying to intervene to tell people how to parent; it is just available and it is what it is. We could have a more mainstream application of early years intervention in this type of system, which would tackle some of the challenges of the past.

I return to my soapbox on maintained nursery schools, which I and my hon. Friend the Member for Bristol West (Thangam Debbonaire), and other hon. Members, have talked about frequently. We have some excellent maintained nursery schools in Bristol, which have the costs of and are regulated as schools, but which are funded as private childcare providers. Some of the Minister's colleagues have recently responded about them in the House of Commons.

The evidence from maintained nursery schools clearly shows that putting in the intervention and assistance before mainstream school has a huge impact on bringing those children up to the average when they get to mainstream education, which helps to tackle the inequality gap. We should take that evidence seriously and apply it to our public policy, to show that it could be done not just in cities and regions that still have maintained nursery schools—they do not exist everywhere in the country—but across all the regions and nations.

On happier families, the Resolution Foundation produced an interesting report last week that looked at wellbeing markers for the happiness of families. To no one's surprise, it concluded that being in meaningful work and having more disposable income generally makes people happier. It specifically showed that an extra £1,000 a year of disposable income can have a measurable impact on the wellbeing and happiness of someone's family life, especially for those on the lowest incomes. To perhaps no one's surprise, as income gets towards £100,000 a year, extra disposable income has less of an impact, but it can have an enormous impact for someone on £13,000.

Helping parents to be in work and providing fully funded childcare could have an impact on the average cost of £10,000 a year for working families [*Interruption.*]. One of the consequences of reading a speech from an iPad, Mr Davies, is that pressing the wrong place on the screen returns the speech to the start, rather than staying where I was speaking from. Reducing the amount of disposable income that working families spend on childcare, especially those on the lowest incomes, would have a measurable impact on their wellbeing and happiness. In many situations, parents are having to trade off between each other's jobs, after-work arrangements, work trips, having to look after children, who does the school run and all those things. We could make a difference not only to family life planning, but to their income.

I do not have any evidence for this, and I would be interested in the Minister's view, but surely fully funded childcare is an investment in the country. If we allow parents to work, reduce the amount of disposable income they spend on childcare, give them more money to spend on the high street or elsewhere in the market, allow them to pay taxes and VAT on the products they buy and fund properly paid childcare providers which

[Darren Jones]

then pay their own income tax through their workers in a fully funded childcare system, that money will not just go into a black hole, but will create a system that could help us achieve public policy priorities on gender, class, economic productivity and all the issues I have raised today. It seems an obvious thing for the Government to want to look at and reform, because it will mean something to so many people across the country, while also stimulating all those important factors.

In conclusion, it is clear that the current childcare system is too complicated, does not work and is not sustainable. When we speak to anyone involved, that is what they say. Parents are not aware which system is most relevant to them. It is very confusing. People might think they are on a better scheme with childcare vouchers, which are easily done through work, and they are being told that is coming to an end and they should consider tax-free childcare, but then the IT system does not work and they cannot calculate which scheme is better. If someone is about to be or has already been pushed on to universal credit, they are told they cannot get tax-free childcare, even though they may have been able to get childcare vouchers if they were on working tax credits. It just does not work.

As a consequence, the Treasury has been saving money. The budget allocation for tax-free childcare alone—that is just one aspect of this complicated service—went from £800 million to £37 million. The Treasury has made a saving of hundreds of millions of pounds. Where has that money gone? Why is it not being invested back into reforming childcare systems? The fact of the matter is that while the Treasury is clawing back this money and spending it on God knows what—ship companies with no ships, or whatever it might be—childcare providers are having to charge parents on top of the already expensive price of childcare, whether it is for food, activities or private hours outside of the hours provided by the system.

We see that time and again. Whether it is policing, council services or childcare, the Government cut the funding to public services and those who provide for our constituents, and then push those costs on to hard-pressed families, whether it is through increased council tax to pay for the police funding that the Government have cut or to cover their cuts to the core grants to councils, or passing on more costs to parents from the attempt to save money on childcare systems. Enough really is enough.

We should be aiming for a fully funded childcare system, with qualified and decently paid childcare professionals. It is an investment in our future. It will break down gender and class inequalities and will help foster happier and healthier families right across our country. I do not see why it is even a debate. I hope that the Minister will set out today what he will do to make it a reality.

**Geraint Davies (in the Chair):** I will impose an advisory time limit of nine minutes.

9.55 am

**Ben Bradley (Mansfield) (Con):** It is a pleasure to serve under your chairmanship, Mr Davies, and I congratulate the hon. Member for Bristol North West (Darren Jones) on securing this important debate. I am pleased to

speak today, particularly following the debate that I secured here last week on nurture care and early intervention in primary schools, which feeds nicely into this subject.

Early years education and nursery provision are crucial to ensuring that every child has the best start in life. Last week I spoke about that with reference to primary schools, although I said that the need for such support starts even earlier. As the hon. Gentleman said, free childcare is considered important because it allows parents to return to work and—for me, this is even more important—it ensures that children receive a good educational foundation. Without the right support in early life, children suffer, challenges become more complex, and costs grow. That is why I am an advocate of early intervention and proper support for disadvantaged and troubled families.

Across Mansfield and Warsop many low-income families rely on free childcare, and would certainly benefit from greater support with those costs. We have a relatively high take-up of the free childcare offer for two-year-olds, but I continue to have concerns that those most in need do not take up such support. The financial viability of those free places is a huge challenge for nurseries. Costs for nursery owners have increased because of payroll costs and other elements of inflation, and the funding offered by the Government to support childcare providers has not increased proportionately. That issue is consistently raised with me by local providers, and one local nursery owner also raised a valid point about wages and staffing.

In general, nursery staff are not particularly well paid, and progression can be unclear. That means there is a high turnover of staff, and providers cannot retain their best and most experienced people. After a few years working in childcare many people leave the sector and go elsewhere looking for better wages, and when we discuss the costs and benefits of free childcare we must also consider those aspects. I know from my experience with my now five and two-year-old boys that the attachments children make to nursery staff are important and emotional. My boys come from a safe and loving home, and it stands to reason that for children from the hardest backgrounds with problems at home, those relationships and the structure and safety of nursery are even more important. High levels of staff turnover are not helpful in delivering that continuity of care.

The Sutton Trust has been campaigning on that issue, and it argues that we should consider giving early years teachers qualified teacher status. The increase in pay, conditions and status that that would entail would help to retain a skilled and experienced workforce in that sector, although it would need funding to make it work.

I welcome the commitment by Ministers in autumn to support early development at home, including funding for additional training for health visitors to identify speech, language and communication needs. That is a good step towards tackling disadvantage and helping to identify special educational needs, in order to offer the best and earliest interventions. I would like early years education to be part of a formal intervention to which those children who most need it can be referred, following those early identifications. Giving children access to such support as early as possible, perhaps in a more formal and directive way for parents, would be helpful.

**Alex Cunningham:** The hon. Gentleman makes a good case for those who are less advantaged than most of us. Does he share my view about Sure Start centres?

They were developed to provide outreach, yet we have lost a lot of that. Will he encourage the Minister to encourage greater outreach into those communities, as we had under Sure Start?

**Ben Bradley:** That is an interesting prospect. Sure Start centres, and the ideas behind them, are positive, and we need that early support and intervention for families, and that hub for them to receive such support. I do not know whether Sure Start centres are always the right place—as the hon. Member for Bristol North West said, take-up at those centres is often by middle-class families and people who perhaps have the social capital to go out and find that support, when perhaps it could be more focused and targeted on those who most need it.

It is good that we are spending more than any other Government on supporting early years education at around £6 billion a year by 2020, and it is positive that more than 90% of all three and four-year-olds are accessing Government-funded early education. We are heading in the right direction in many respects, but we need to look more carefully at the impact of such provision, especially when it comes to the existing childcare offer. The Government's policy of 30 hours of free childcare amounts to just over 1,100 hours of free childcare a year for many families, including my own—indeed, I count down the days until September when my youngest will be eligible for free childcare, and all the holidays I will be able to go on with that extra money. That perhaps identifies the problem—the funding should not necessarily pay for my holidays, which might be what it is used for.

The Education Committee, which I have the privilege of sitting on, noted in our recent report, “Tackling disadvantage in the early years”, that the policy might have entrenched inequality, rather than helping to close the gap. The Committee argued that the Government should reduce the upper earnings cap for 30 hours of childcare, the extra funding providing more early education targeted at the most disadvantaged children.

In 2016, a two-parent family on the national living wage with an annual wage of £19,000 a year, received 6% more in childcare support than a two-parent family on £100,000 a year, but now the former receive 20% less childcare support than the latter, because support has increased for wealthier parents, not the other way around. That is according to the Education Policy Institute. There is a balance to all such things. An important element is to provide value and support for those in work, so that people feel the benefit of work, but perhaps support has moved slightly too far from prioritising children who most need early intervention and support from the education system.

The social mobility index places Mansfield 524th out of 533 constituencies in England. I care passionately about social justice, an issue that is at the centre of my work in Mansfield and Warsop, and one of the best ways to tackle that low social mobility is to improve education, and early years support and intervention, focused on those most vulnerable children and families. I hope that the Minister will commit to look at ways in which we can reform education right from the start, from those early years, in order to support the most disadvantaged children, including many from Mansfield.

10.1 am

**Jim Shannon** (Strangford) (DUP): I congratulate the hon. Member for Bristol North West (Darren Jones) on bringing this issue to the Floor for consideration. I deal with this issue every week in my office, and in particular with my staff. I will give the Chamber an example of how the matter works in practice.

I have six staff, five of whom are ladies, so the issue comes through clearly. They are of differing ages, though I will not mention their names or refer to their ages, because that is something we do not do, if we want to live well. My part-time worker is in her 50s and is a grandmother. I allow her flexibility to change her days so she can mind her grandchildren and come into my office on the days or mornings that she does not have the children. That is a practical arrangement that works for her and for me—that is important.

A further two staff members in their 40s have children in the last year of schooling, so they are able to work their normal full-time hours. It is easier when children attend secondary schools and further education. I also have a staff member in her 20s who is due to marry next year, and she has informed me that I should be prepared for her maternity announcement the following year, as she wants children right away after she gets married. Again, I support her wholeheartedly in that.

My parliamentary aide is in her 30s, and has a three-year-old and a four-year-old. Her childcare arrangements are more pressing. They are all key members of staff, but she is in particular. When she returned to work after her second child, we came to a flexible working arrangement that allows her to work at home on Tuesday, Wednesday and Thursdays, when I am at Westminster.

In practice, when my aide's kids are at nursery in the mornings, she works away for me, and when her husband gets home at 6 pm, she works on. She is my speech writer, preparing many of my speeches, so she probably has little to do—I jest, because I keep her busy. I talk the speeches over with her, but cut and add to them as I progress through the time. She is kept very busy, and her workload means that I sometimes see work coming through to me at 1 o'clock in the morning. That is a fact; it is how she does it with her flexible hours—I am very fortunate to have her working for me.

When I asked my aide about childcare, her answer was simple: “Jim, I earn too much to get help from Government but not enough to pay the £300 a week for someone else to mind the children. I am holding on for the P2s”—primary school—“when the kids are in until 3 pm, and I can then cut back on night-time hours.” That has made me ask some questions. How many young families working to pay for childcare are holding on by a thread until they get the care? How many grannies and grandas are missing out on actually relaxing in retirement because their children are not able to pay for childcare?

Too many families are over the threshold for tax credits and struggle to do it all. That was illustrated clearly by the hon. Members for Bristol North West and for Mansfield (Ben Bradley) in their contributions. Families earn too much for social housing, but not enough to be comfortable.

What we have is what I refer to as the working poor and there are a greater number of them, and every one of us could probably reflect that and illustrate that in



[*Jim Shannon*]

our constituencies. I believe that if the burden of childcare was lifted, there would be benefits for the quality of life for so many families throughout the United Kingdom of Great Britain and Northern Ireland. We need more schemes such as the tax-free childcare scheme, which puts 20% of Government funding alongside someone's 80%. The fact is that, although that is good, not many people are aware of it and I look to the Minister to give us some illustration of what can be done to improve that. There are many people who just do not know about the scheme.

Some 91,000 families made use of the new tax-free childcare system in December, which is far below the expected number. What are the Government doing to increase that number and increase awareness, because official figures show that the Government had planned and budgeted for 415,000 families? We are far off that figure, for a scheme that was launched in October 2017. It is a gentle question, but hopefully it will receive an answer. At one point, 3 million could qualify for the help, meaning that only about one in 14 eligible families had applied for it. So we really have an issue to increase that number.

When we look at countries around the world, we see that we are at the top of the league for costs, and they must come down. Just yesterday in the provincial press back home, there was an illustration of the cost of childcare per child across Northern Ireland. In my constituency of Strangford, and in mid and east Down, we have the highest levels of childcare costs anywhere in Northern Ireland. We have a middle class that is squeezed beyond control, with rising rates, rising insurance costs for their home and car, rising food prices and rising petrol prices. Everything is more money, apart from their wages, which remain the same.

It is little wonder that so many people believe that it is better not to work. We have mothers and fathers who slog it out at work, and then try to cram in time with their children in the evening hours, and stay on top of housework and mundane issues. I believe that they need help.

I will finish with this comment: childcare is one way we can help and encourage women with young children to have a career, and find a way to do it all. So I urge the Government to expand the 20% help for childcare and bring us down in the global charts, instead of our being "Top of the Pops" for all the wrong reasons.

**Geraint Davies (in the Chair):** Thank you very much. We have still got a lot of time.

10.7 am

**Alex Cunningham (Stockton North) (Lab):** It is a pleasure to serve under your chairmanship this morning, Mr Davies.

I, too, congratulate my hon. Friend the Member for Bristol North West (Darren Jones) on an excellent speech. It is a shame that he was not around a few years ago, because he could have been on the Bill Committee that considered the Childcare Act 2016. He would have been a tremendous asset at that time.

Although I would prefer to see a Labour Government delivering big on childcare, I, for one, recognise how the last Tory Government built on the legacy of the Blair-Brown

Government—they most certainly did. I know that they like to pinch our policies, but I am always happy when they pinch the right ones.

I am saddened, however, that despite the Government's policy of expanding childcare, which was progressive and actually made some progress, we are in danger of failing to land the kind of childcare provision that we want, because the implementation has fallen short. It has fallen short because the Government failed to engage properly with the sector originally. They failed to recognise the challenge they were facing in building capacity; they failed to understand the need to develop a sector that would be even more professionally led; and, despite the very welcome cash that came with the policy, they failed to recognise the need for professional staff to be paid a decent wage for looking after all our children.

I am a dad and a grandad, and my sons and grandson are the most precious of precious people to me; I am sure that there is not an MP here in Westminster Hall, or across the Estate, who does not think of their family in that way. Yet as a nation, we seem content to leave those most precious young members of our families to be looked after by people who are often on the minimum wage and discontented with their working lives. The hon. Member for Mansfield (Ben Bradley) referred to that issue in some detail, and I am sure that he agrees that we need much more action on it.

After all, childcare staff are some of the most loving and dedicated people that we have in our country. They do the job because it is their vocation. They do it despite a system that does not appreciate them for not just looking after our children, but keeping them safe. Should we really devalue them so much?

We know why we believe in childcare. It allows parents, especially mothers, to go back to work, which is important not just so that they can earn, but because it gives them the fulfilment of a challenging daily routine beyond childcare—believe you me, I know that that too can be challenging—the fulfilment of earning their own living and supporting their family, or perhaps the fulfilment of doing work that they feel passionate about.

We must ensure that parents have a choice, which the 15 or 30-hour offer provides, but we need to make sure that it is easily accessible and well resourced, and that we create happy spaces for children that result in happy parents who are content to leave them there. If the free childcare that we all like to boast of is not resourced properly, parents end up subsidising it through expensive contributions to meals and the provision of nappies and materials—even wet wipes.

Not everyone is covered, of course, and childcare can be expensive for those who are not. Some rely on family, but not everybody has family members who they can rely on or expect to take up childcare responsibilities. It is also important to recognise the specific needs of adoptive parents. If we are serious about encouraging people to foster and adopt, we must ensure that the law and regulations are favourable and provide them with an environment that supports them and enables them to do their jobs as well.

When I served on the Childcare Bill Committee—I lament the fact that my hon. Friend the Member for Bristol North West was not there—one area we looked at was the costs associated with the provision for disabled children. Parents of disabled children need an extra level of support. Often, going back to work is not an

option for them, but they are in desperate need of respite care. From talking to my own local authority, Stockton-on-Tees, I know how difficult it can be to provide adequate respite services to all the families who need it. Last week, the Government passed yet more cuts to authorities, particularly across the north, which does not help to deliver on that agenda.

As other hon. Members have said, in the mainstream, we have a system of childcare vouchers and tax-free childcare. I agree with my hon. Friend the Member for Bristol North West that the new tax-free childcare system is less favourable than the voucher system we are moving away from. In a previous debate on childcare, I reminded hon. Members of what the Prime Minister said on the steps of Downing Street after she entered office:

“We will do everything we can to help anybody, whatever your background, to go as far as your talents will take you.”

Perhaps the Minister can share with us how the Government are actually helping poorer families who are in desperate need of childcare but do not currently qualify for the scheme. My hon. Friend the Member for Bristol North West referred to the Treasury Committee’s report on childcare, which found several gaps in the Government’s childcare schemes, including that one.

Access to childcare support while training is a real issue. Mothers who opt to do a nursing degree are particularly badly hit, especially with the advent of universal credit. There are women in my constituency who struggle to qualify for universal credit because, despite the fact that they work—and I believe they do work—on the wards during training, they do not accrue sufficient working hours, which has a direct knock-on effect on their entitlement to childcare. They are left to survive on child benefit and a student loan that they will have to pay back one day. We all know about the loss of the bursary scheme.

Parents aged 20 who wish to take on training can seek support only if they are on a further education course and are facing financial hardship. Childcare costs are a barrier to the participation of parents, especially young parents, in courses. Those costs actively prevent them from taking on the training that could advance their careers and give them more money to support their families.

My hon. Friend the Member for Bristol North West also mentioned the gig economy. Zero-hours contracts are notoriously inflexible, no matter how much people try to portray them as the opposite. Shifts are offered at the last minute, so staff who can drop everything to come into work at the drop of a hat are prioritised. Workers are also told at the last minute that they are not needed, so they lose out on a day’s expected pay.

There is a real risk of a parent needing last-minute childcare to be able to pick up a shift, but that flexibility does not exist in the system. Parents have to pay for childcare, but they frequently get to work and find that they are not needed, so they are shelling out money that they do not have. Not every worker knows their shift pattern two weeks or a month in advance—a bit like MPs, perhaps. Sometimes, workers are lucky to know 48 hours in advance. I am repeating myself, but we need childcare provision that matches the economy people work in.

During the Bill Committee a few years ago, Pat Glass, the then MP for North West Durham, and I challenged the then Minister time and again on building

capacity, on the need for a professional-led service, on engaging with the sector and on so many other things. I know that it was not the Minister before us today, but the former Minister gave reassurances that have proved to be no more than fantasy. We were told that the market would sort it out, that there were people keen to enter the market—many did—that there were sufficient people coming through to staff the system, and that all would be well.

Sadly, that has not really happened. We have seen nurseries close, and we still see demands from parents for more and more support. We have a long way to go to ensure that we have that professional-led service. I would never do down our nurseries, which do tremendous work, but professionals should be leading that service. We need that provision to help people on the bottom rung of society who cannot get a job because they cannot get the training they need, since they do not qualify for the comprehensive childcare they need.

It is time to look again. We have a vast wealth of talent sitting dormant at home, often on social security, because our system does not recognise their need the way it should. We should concentrate resources on those people—starting with childcare, to allow them to get on with work. I also say to the Minister: please look again at the provision for people with disabled children, which remains totally inadequate. We really need action in that area.

**Geraint Davies (in the Chair):** I call Thangam Debbonaire. I will call the first of the Front Benchers at 10.30, so you have a reasonable amount of time.

10.16 am

**Thangam Debbonaire (Bristol West) (Lab):** Thank you, Mr Davies. I am very grateful to my hon. Friend the Member for Bristol North West (Darren Jones) and to other colleagues, who made excellent points. I will try to do what I always swore I would and not say things that others have covered.

Both parents and early years providers in Bristol West report problems with the current system, including the cost to the economy in lost work and skills when parents are unable to take up childcare because of the complexity of the system or its inappropriateness for their needs. However, I will focus on the social costs, in particular the social cost to gender equality and the social and economic cost to lone parents.

In 2015, the OECD published statistics on net childcare costs as a percentage of average wages for a two-earner, two-child couple. The eurozone average was 14%, but in Malta the cost was 0%, in Austria 3%, in Sweden 5%, in Iceland 5% and in Germany 5%. In the UK, the cost was 55%—higher even than the United States. I just put that down as a marker for two-parent families. For single parents, there are of course often benefits and benefits in kind that help even out the additional burden of being the sole provider and income earner, but there is no doubt that free or very low-cost childcare is a great contributor to gender equality and to single parents’ ability to provide for their families.

Other Members have mentioned parents using childcare for economic benefit, so I want to focus briefly on its impact on gender equality, and particularly on its use for training, job interviews and voluntary work, which

[*Thangam Debbonaire*]

are essential for women re-entering the workforce, leaving violent partners or needing to fit childcare around being a lone parent. A single parent cannot get free childcare to go to a job interview or just to clean up the house and go to the shops, which is unbelievably difficult for a lone parent with young children. Free childcare also helps those starting up in business. Again, that has a particular impact on women, who often choose that route into employment after having children. Of course, all that benefits the economy, but there are also social benefits, which include older relatives' ability to participate in the workforce or in other activities when they no longer have to offer to provide free childcare to enable their daughters or female relatives to do training, job interviews and so on.

Continuing on the theme of gender equality, of course men and women love their children and want to be with them, but men and women also want to provide for them, contribute to the wider world and develop their skills. If high quality, affordable childcare is widely available—the OECD defines “low cost” as less than 10% of average wages, although in the United Kingdom it is nowhere near that—that allows men and women to make decisions based on what is best for them and their children, rather than on the probable inequality of their wages, which further reinforces the inequality of their wages.

I have friends in the Netherlands, where the childcare system is far from perfect, but where there is at least a cultural understanding that when someone becomes a parent, whether they are a man or a woman, they should work fewer hours, and that men and women have an equal responsibility for picking up children from childcare or school. I am constantly amazed that, when I pick up friends' children from school in the Netherlands, there are roughly equal numbers of men and women, and nobody notices because it is not a thing. I have friends who moved to four-day working weeks after they became parents. That is the norm. That means that each child is in childcare for three days per week and with parents for a total of four, but it allows both parents to maintain their work and play a full and active role in their child's life, as so many parents deeply want.

In my constituency of Bristol West, childcare providers and state-maintained nurseries report problems with the take-up of free childcare by families on low incomes in general, but particularly by single parents—usually women—who struggle to fit the complexity of the system around their needs and those of their families. The OECD has documented the consequent restrictions on their economic participation.

There are other social benefits involving gender. Childcare that is free at the point of delivery, such as Sure Start—a wonderful achievement of the previous Labour Government, of which I will always be proud to bear the legacy—provides many other benefits for women. My friend Jude Grant, who is now a Labour councillor, used to run a domestic abuse support service in the north-east out of a Sure Start centre. Why did that matter? She did that in parallel with a support service for women with post-natal depression, and both those services could operate completely confidentially. When a woman went through the door of that building,

everybody—including, importantly, their partners—thought they were going in for a bit of a playgroup. It meant that they could get advice, information, support, guidance on developing a new life and economic support, which was often critical for those women.

Jude has told me of her memories of teaching women how to set up bank accounts and how to organise their finances—things that their abusive partners had never let them have any control over. Their domestic abuse support was not just about recovery from emotional, sexual and physical abuse, important though that was. Having free childcare on site provided both the practical support, so that the children were well cared-for, and the confidentiality and the reduction in stigma that allowed them to move on to safe lives. I pay tribute to my friend Jude and many others who did similar things in Sure Starts across the country. As a domestic abuse specialist, I was grieved greatly to see all those specialist services gradually shut down as Sure Starts across the country were reduced.

**Alex Cunningham:** My hon. Friend has tempted me to tell a story about a young woman who came to me when I was a member of the council. She had many of the problems that have just been described. I said, “One of the things you could do is go to the neighbourhood centre and meet people, because they have childcare people and things like that.” She said, “Okay, I might do that.” Her entire life was home, school, shop, home, and all of a sudden she had an extra place to go. She eventually got into employment. I found her at the till in Tesco, not buying but working, and she recounted the fact that she had come to see me. Such opportunities are absolutely critical.

**Thangam Debbonaire:** I am grateful to my hon. Friend for adding that example from his caseload. I could tell many a story of people I worked with in Sure Start centres across the country who had similar tales to tell about having that stigma-free, confidential safe space in which their children could be cared for, but with other services wrapped around it. That was transformative for women's lives, and it grieves me greatly to see them gone.

I have several questions for the Minister. I believe he is an honourable gentleman who wants the best for children and families across the country. I have asked Treasury Ministers and other Children's Ministers—not this Minister—about funding for early years, and I have not really got satisfaction. There is a tendency for each to refer me to the other side. I raised early years childcare funding two weeks ago on the Floor of the House when the Education Committee presented its report on the subject.

I will ask the Minister a few questions. First, what will his Department do about the exclusion and complexity of the current system, particularly for women and lone parents, that other hon. Members have described? Secondly, what will he do about the difficulties for lone parents in getting childcare and its impact on their getting training and job interviews? That is critical for getting lone parents, who are often skilled but unable to work owing to childcare problems, back into employment. Thirdly, has his Department carried out a gender impact assessment of the current childcare system? Fourthly, has his Department assessed the impact of the system specifically



on low-income families? Fifthly, has his Department had time to review the Select Committee report? It is not all about funding; there are related issues.

I plead with the Minister to consider what has been said today. The impact on families of high quality childcare that is free or affordable at the point of delivery is immense.

**Chris Elmore:** As ever, my hon. Friend champions the people of Bristol West and those in our society who most need help and are most vulnerable. Does she agree that the Department for Education could learn from what is happening in Wales? The Welsh Government announced yesterday a 30-hour offer and investment in 150 new or redeveloped childcare centres, to ensure that all working families benefit. It will not be based on income but on genuine need, which will be met via Government intervention. That shows the difference that a forward-thinking and progressive Labour Government can make.

**Thangam Debbonaire:** I applaud the Welsh Government and I look forward to seeing the impact of that, which may have lessons for the UK Government.

I believe that, like the Labour party, the UK Government want to champion people getting into work. We are the Labour party—the clue is in the name—but the Tory party also says that it wants people to be in good quality jobs and to be able to do those jobs without constantly worrying about what is going on at home or about childcare, or about not being able to make it to childcare. I have heard that as a Whip, when people I am whipping say to me that they need to leave before a vote otherwise they will not be able to pick their child up from childcare. That is manageable as a Member of Parliament—just.

I urge the Minister to answer my questions and those of other hon. Members, and to recognise the economic and social value of free childcare to the entire country.

**Geraint Davies (in the Chair):** On behalf of the Scottish National party, in a late change, I call David Linden.

10.27 am

**David Linden (Glasgow East) (SNP):** It is a pleasure to serve under your chairmanship, as always, Mr Davies, and I thank you for your forbearance, as I did not intend to sum up the debate, hence I am sat next to the hon. Member for Strangford (Jim Shannon) in our usual season ticket seats. I extend my sincere congratulations to the hon. Member for Bristol North West (Darren Jones) on securing the debate and, on behalf of my party, I wish him all the best for the impending arrival of his next child.

It has been an excellent debate. The hon. Gentleman gave a thorough speech and spoke about some of the economic arguments—that more people in work means more people paying tax and increased productivity. I certainly agree. He also challenged some of the gender inequality, which I thought was a powerful point. The hon. Member for Mansfield (Ben Bradley) has a strong track record of speaking in debates on family issues. He spoke powerfully about early intervention, which I definitely agree with. He also spoke about the need to pay nursery staff better and about some of the impacts of current pay rates, such as the high level of staff turnover. I shall come on to my experience of that.

The hon. Member for Strangford spoke about his experience of employing six staff, five of whom are women, and the need for employers to be flexible. He has obviously grasped that as an employer. We, as Members, are all employers, and we know that it is better for staff productivity if we can be flexible. He also spoke about the mysterious Strangford speechwriter, who I think will be the only person furious that this week's recess was cancelled because it means their having to write more speeches for the hon. Gentleman as he continues with his impressive speaking record.

The hon. Member for Stockton North (Alex Cunningham) spoke powerfully about his experience, particularly in the Bill Committee. He gave a fair critique of the Government's policy and particularly the link to the gig economy—an additional dimension to the debate that I do not think anyone else raised. He, too, hammered home the need to pay nursery staff better; I want to come to that later. He also spoke powerfully about something that I see in my own case load—the need to support in particular parents of disabled children. I would like to hear the Minister refer to that point when he winds up the debate.

Lastly, the hon. Member for Bristol West (Thangam Debbonaire) spoke about childcare for people attending job interviews and some of the social costs associated with childcare. She also spoke about her experience of seeing how things in the Netherlands work, particularly the equality between men and women. That is another issue that I want to come to. Finally, she spoke about some of the challenges experienced by lone parents.

At the outset of my remarks, I should probably, like the hon. Member for Bristol North West, declare a personal interest, in that I am already a beneficiary of free childcare for my son, Isaac, who since August last year has been part of Glasgow City Council's expansion of nursery provision.

I want to break my remarks into three sections. First, I want to give the context of what we are doing in Scotland to try to revolutionise childcare. We have heard from Northern Ireland, Wales and England, so to complete the set, I will speak about Scotland. Secondly, I want to talk about some of the data picked up by CHANGE—Childcare and Nurture Glasgow East—which is a lottery-funded project in my constituency. Finally, I want to touch on one or two of the key challenges in this policy area.

The hon. Member for Bristol North West very eloquently set out the situation in the context of England, so I thought that it might be helpful if I set the scene in Scotland. The Scottish Government are pressing on with the implementation of their commitment to double the entitlement to funded early education and childcare for eligible two-year-olds and for all three and four-year-olds, taking that up to 1,140 hours by August 2020.

My own son, who attends a Scottish Gaelic-medium nursery, is already at nursery from 8 am to 1 pm five days a week, and my wife and I have greatly valued the flexibility that the current system allows us. As parents, we were able to decide whether we wanted him to attend for five half-days or whether it might be better to block-book two and a half days a week. In the end, because of my role as an MP and hers as a teacher, we decided that it would be best to spread the care over five days, but it was good to have that choice, which meant that we could tailor the care to our needs as a family. It

[David Linden]

is estimated that, in essence, the current investment in early learning and childcare is saving each family approximately £4,500 per child each year. That is certainly good news for families in my constituency of Glasgow East.

Having set the scene, I want to turn to some work that has been undertaken by an organisation doing work in my constituency and funded by the Big Lottery Fund. In a debate such as this, it is important that we look at the challenges, as well as the opportunities, that the provision-of-childcare policy will provoke. Although we have the ambitions that have been stated, there are also challenges, as I think we would all accept.

First, I know from my own constituency casework and the data collected by CHANGE that there are still challenges with nursery provision for children aged from zero to two. Fundamentally, fewer places are available and waiting lists are much more common. In the Parkhead area of my constituency, there are some outstanding nurseries, but there are serious supply and demand issues, on which I am currently lobbying Glasgow City Council; I hope that we might see action before long. When I met Anthony O'Malley from CHANGE, I was concerned to learn about the limited availability of childminders in my constituency, and it is now down to single figures. Certainly when I was a child growing up in the east end of Glasgow in the 1990s—I feel a bit strange talking about growing up when it was not that long ago—childminding was much more prevalent. We ought to be asking ourselves why the provision of that hugely beneficial service has declined in such a short time.

Secondly, childcare providers and families told the project that there is a need for more out-of-school care places in the area, especially in and around Parkhead. Perhaps an unintended consequence of the offer of extended nursery provision, coupled with the very well deserved increase in pay for child development officers in Scotland, is the concern that after or out-of-school care services may see an exodus of staff who see working in the nursery sector as a bit more attractive.

That brings me rather nicely to the final point that I wanted to touch on during the debate. It concerns general workforce and recruitment challenges for the expansion of early years provision. As a result of the ambitious plans to increase the offer of free childcare, we clearly need to recruit more child development officers.

Four or five months after I was elected, I attended a Scottish Government event at Tower View nursery in the Craighend area of my constituency. The event was a media launch of the campaign to recruit up to 11,000 additional staff to meet increased early years provision. One thing that struck me that day as I was going round carving pumpkins and meeting all the lovely children was the fact that we are still not getting it right in terms of seeing more men working in the sector; we perhaps need to do a little more to attract men to work in the nursery sector. Clearly, the debate around early years provision has moved more towards nurture, but I am not sure we are getting the balance right. I make that point as an observation and ask the people reflecting on these proceedings to consider that, because in Scotland only about 4% of the workforce in early years daycare provision is male. As we look to inspire

children, we should look at role models, and perhaps we are not getting it right when 96% of the workforce is female.

I will finish where I started by talking about my own son's experience. I want to say a massive thank you to all of the staff at his nursery who go the extra mile every single day and have a massive and hugely positive impact in shaping our little boy and how he perceives the world. We would all agree that that is a noble and rewarding profession, and I hope that many more people consider it as a career in the future.

10.36 am

**Tracy Brabin** (Batley and Spen) (Lab/Co-op): It is an absolute pleasure to serve under your chairmanship, Mr Davies. May I begin by saying how apt it is to be discussing childcare and early education this week when many Members and, perhaps more unfairly, the staff who work in this place will have had to organise last-minute and probably premium-cost childcare because of the late-notice recess cancellation? I am pleased to see the Minister stepping in for the Under-Secretary of State for Education, the hon. Member for Stratford-on-Avon (Nadhim Zahawi). Perhaps he is not here because he has a childcare problem, or perhaps, as the papers suggest, he is skiing. We wish him well and hope he comes back in one piece.

I want to pay tribute to my hon. Friend the Member for Bristol North West (Darren Jones), who secured the debate and is a young father himself. I congratulate him on the fantastic news that another baby is on the way. It has been great to hear submissions from parents in all parties who have talked about their own childcare arrangements and how valuable those are in enabling them and their partners to do their jobs and fulfil their potential.

I will summarise some of the excellent contributions. My hon. Friend the Member for Bristol North West had a passionate and humane approach to what childcare is all about: creating happy, fulfilled families so that children can grow up in brilliant homes where they can fulfil their potential while feeling safe and secure. The extra £1,000—£20 a week extra in pay cheques—would bring happiness and flexibility to families. That money is vital for some families, certainly families on the breadline. For them, if a washing machine breaks down, that £20 could mean going to a food bank or not. It is absolutely imperative that we also look at the wider economic situations for some of the poorest families.

The idea of families selling their cars to pay for childcare is distressing. My hon. Friend's focus on equality and families having to decide who goes part time and who loses out in their career progression was incredibly powerful. I was also interested to hear about Flamingo Chicks and would like to know more if he will meet me. Also, the focus on gender and class is really powerful. We know that the gender pay gap starts at the beginning when a woman has her first child. Women often never recover from that. In the creative industries—my previous career—we see the awards season and more men than ever winning awards, but why is that? Because women have to make a choice about stepping out of their careers. Then it takes forever to try to catch up. Some never catch up and they just step out permanently.

**Alex Cunningham:** The disadvantage to women is not only in their earning power through the years, the loss of the opportunity to work and everything that means but in the effect on their pensions—they lose many years’ pension contributions and are more likely to be in poverty in retirement.

**Tracy Brabin:** I absolutely agree and I will probably pick up later on the idea that, despite the welcome alignment of men and women’s pension age, some women are coming to me and saying, “I can’t look after my daughter’s children, so she can’t go back to work, and I’m having to continue working.” Women Against State Pension Inequality has a case to make about the fact that the inability to find cost-effective childcare is impacting on their families.

We have heard some fantastic contributions. I value the work that the hon. Member for Mansfield (Ben Bradley) is doing with the Education Committee. Let me take a moment to thank him and his colleagues on that cross-party Committee for their report, “Tackling disadvantage in the early years”, which was published last week. I will flag up to the Minister, although I am sure that he will comment on it, the Committee’s observation that the Government’s own policy on 30 hours of funded childcare is

“entrenching inequality rather than closing the gap”,

and the Committee’s recommendation that the Government “resurrect their review of children’s centres and...explore promoting family hubs as a wider model for provision of integrated services.”

The Committee’s work is absolutely invaluable in trying to close that disadvantage gap.

I welcome the contribution from the hon. Member for Strangford (Jim Shannon), including his personal stories about his workforce; his member of staff who sends speeches at 1 am deserves a medal. He, too, mentioned older women who are unable to look after their children’s children.

My hon. Friend the Member for Stockton North (Alex Cunningham) celebrated childcare staff, and talked about nursing bursaries and nursing trainees. It is absolutely vital that we enable those people, who are going into incredibly stressful jobs—jobs that we absolutely need—to get the support they need to study, rather than their having to worry about getting a part-time job. My daughter is working in a bar at the moment and she is working alongside a nurse who is working there to top up her salary, in order to work at night. That cannot be conducive for training, can it?

My hon. Friend the Member for Bristol West (Thangam Debbonaire) was, as always, a fantastic champion for the single parent, for gender equality, and for childcare. Childcare for those who are training, volunteering or going to job interviews, and for entrepreneurs who are starting up, is absolutely vital. For example, 95% of [notonthehighstreet.com](http://notonthehighstreet.com) businesses are run by women and were often started at their kitchen table. They need support, to help them to get their businesses up and running. There is also the magic of Sure Start—we have all said that, have we not?—with that confidentiality, and that opportunity to go in and get support.

My hon. Friend the Member for Ogmore (Chris Elmore), who is no longer in his place, made an intervention. It has been very interesting to hear what Wales and Scotland have on offer; I also welcomed the contribution

by the hon. Member for Glasgow East (David Linden). The number of childminders is falling off a cliff and it is really important that we pull that back, and find really great strategic ways to support childminders, because they are the ones providing the wraparound care.

I thank everyone for their contributions today. It goes without saying that free or affordable childcare is fundamentally a good thing. It gives families autonomy over their own decisions; parents, especially mums, can go back to work and work the hours they wish to, within a timeframe that suits them. We know that so often the greatest barrier to accessing childcare is the cost, so we should always applaud efforts to bring the costs to parents down.

Free and high quality childcare has an incredibly positive impact on children. A child’s brain grows at an extraordinary rate in their first few years of life, and it is so important that children have access to stimulation and learning. Our collective aim should be that as many children as possible receive high quality early years education.

However, all is not well. The Government have introduced 30 hours of free childcare, a flagship policy in this area, but there are problems. The 30-hour policy excludes children whose parents are out of work. Those people’s children, many of whom would benefit the most from free childcare, are exactly the children who are being cruelly excluded from accessing it, through no fault of their own. I believe that is a fundamental flaw in the policy, and we may not understand the repercussions of that decision for a long time to come.

This term, more than 200,000 three and four-year-olds will receive that free childcare; that is 200,000 children who are entitled to double the support of their future classmates. They will arrive at school potentially having received hundreds more hours of learning than their more disadvantaged peers. We would not accept such exclusion in primary, secondary, or any other form of education, and I would like it to end for early years too.

Maintained nurseries are one part of the early years sector that does incredible work with children from disadvantaged areas. There has rightly been a huge amount of recent debate and discussion about those schools, because they are often the standard bearers for the sector. Wherever they are present, standards across the board are improved. I know the Minister realises how essential it is that those schools receive news about their funding as soon as possible. We have been told not to expect that news until the next financial review, but chatter suggests that an announcement could be made as soon as the spring statement. I do not expect the Minister to announce the funding today, but if he could shed some light on when the Department expects to make that announcement, I, Members, schools and concerned parents would be extremely grateful.

According to Members, charities, settings, think-tanks, Select Committees—just about anyone other than Ministers—the 30-hours policy needs more investment to work how we want it to. Local authorities are given an hourly rate that is set by central Government and passed on to providers for the hours that they look after eligible children. Regrettably, in too many circumstances the funding falls short of what is required to provide good quality childcare. Sector analysts Ceeda estimate that there is currently a £616.5 million shortfall in the private and voluntary early years sector. Providers are



[Tracy Brabin]

caught between a rock and a hard place. They are struggling and sometimes unable to make ends meet, so they pass on extra costs to parents in other ways.

Since the policy was introduced I have consistently warned of the havoc facing providers, but it has never felt as if those concerns have been taken seriously by the Department. The weight of evidence is becoming undeniable. The Early Years Alliance—formerly the Pre-school Learning Alliance—published a survey of more than 1,600 early years practitioners in September 2018, in which four in 10 childcare providers said there is a chance that they will have to close their setting in the next academic year due to the funding—or under-funding—of 30 hours’ free childcare. Eight in 10 providers said that there will be a somewhat or significantly negative impact on them if the funding rate stays the same next year. It has since been confirmed that only two councils will receive an increase in funding in April 2019. Thirteen will see a decrease, and the rest will have no change.

Will the Minister, when he responds to the debate, say whether any cross-Government discussions are taking place to increase funding for providers? What assessments are being carried out to ensure that parents are not paying for supposedly free hours of childcare through the back door? If those conversations are not happening, is he willing to facilitate a committee of providers—not just the big names, but childminders and small providers—to examine the day-to-day problems they face?

I am running out of time and I wish to give the Minister and my hon. Friend the Member for Bristol North West an opportunity to respond to the debate. Briefly, however, let me mention a part of the sector that I am interested in—co-operatives. As Members will know, I sit as a Labour and Co-operative party MP. I have visited a number of co-operatives, and I am convinced we need to support them further. Co-ops allow time-rich but cash-poor families to contribute. They invite parents’ skills into the setting, and in return, parents get a say in how that setting is run. Those settings have huge potential, and in the spirit of co-operation I will conclude by saying that I will happily work with the Minister and his colleagues if he would like to explore ways of supporting co-ops.

10.49 am

**The Minister for School Standards (Nick Gibb):** It is a pleasure, as always, to serve under your chairmanship, Mr Davies, and I congratulate the hon. Member for Bristol North West (Darren Jones) on securing this debate and his welcome news—and the interesting way he introduced it.

I am grateful for the opportunity to set out the Government’s position on childcare support. It is a pleasure to stand in for the Under-Secretary of State for Education, my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi), who I understand is seeing family in Washington DC, which is appropriate, given the debate on families that we are having.

I think the truth is that Members here violently agree on the importance of high quality childcare. Evidence shows that high quality childcare supports young children’s development and helps to prepare them for school.

Affordable and convenient childcare gives parents the ability to balance work and family life, allowing them to enjoy the benefits of a job, safe in the knowledge that their children are in good hands.

When the Labour party left office in 2010, only 15 hours of free childcare was available for three and four-year-olds. It was the Conservative-led coalition Government that introduced free childcare for two-year-olds from disadvantaged families. Early education from the age of two has long-lasting benefits for children, and we believe that it helps to promote a child’s emotional, cognitive and social development.

However, evidence shows that, on average, disadvantaged families are less likely to use formal childcare provision than more advantaged families, which is why the Government introduced 15 hours of funded early years education for disadvantaged two-year-olds in September 2013. Eligibility was expanded in September 2014 to include children with a disability or special educational needs from low-income working families, or who have left care. Our balanced approach to managing the public finances enabled us to do that. The extended learning programme for two-year-olds has been popular with parents. Local authorities reported in January last year that 72% of eligible parents nationally took up their entitlement to a place. That is a significant increase from 2015, when the figure was 58%.

A year and a half ago, we also doubled the childcare entitlement of working parents of three and four-year-olds to 30 hours a week. On the point made by the hon. Member for Batley and Spen (Tracy Brabin), only working parents are eligible for those additional 15 hours; the first 15 hours are universally available for parents of all three and four-year-olds. In its first year, the 30 hours of free childcare, alongside the Childcare Choices website and the childcare calculator, helped more than 340,000 children to take advantage of more high quality childcare, with savings for parents of up to £5,000 a year. Again, the Government’s balanced approach to the management of the public finances and the economy enabled us to do that and to provide that benefit to parents.

Independent evaluation of the first year of the 30-hours entitlement found more than a quarter of parents reporting that they had increased their working hours as result, with 15% of parents saying that they would not be working at all without the extended hours. Those effects were stronger for families on lower incomes, helping to fulfil our commitment to help disadvantaged families and to boost social mobility. Furthermore, surveys of parents highlight the impact that the 30 hours can have on parents’ working patterns, with a majority of parents reporting that the 30 hours have given them more flexibility in the hours that they can work, and a small but significant proportion of mothers reporting that the 30 hours had led them to enter work or to increase their hours.

The evaluation report quoted one parent as saying:

“By doing four days now instead of three...my company looks at my development and progression in a way that they wouldn’t if I was only doing three days.”

Some 86% of parents reported that they thought that their child was better prepared for school as a result, and 79% felt that their family’s quality of life had improved. The latest study of early education and development—SEED—report, published last year, also points to the

clear evidence of the benefits of high quality early education for the cognitive and emotion development of all children aged two to four.

My hon. Friend the Member for Mansfield (Ben Bradley) asked for a commitment to support the most disadvantaged children, but that has been the driving force behind all our education reforms since 2010. On early years education, more than a quarter of children finish their reception year without the early communication and literacy skills that they need to thrive. The Government have ambitious plans to halve that proportion over the next 10 years. The Department is working closely with the sector to deliver on our commitment to reform the early years foundation stage profile. The reforms are an important opportunity to improve outcomes for all children, but especially to close the word gap between disadvantaged children and their peers. We know that the gaps can emerge much earlier in a child's life, well before they enter reception. That is why we recently launched a capital bidding round of £30 million to invite leading schools to come forward with projects to create new high quality nursery places for two, three and four-year-olds. Those are the reasons why the Government are investing more than any other in childcare. We will spend around £6 billion a year on childcare support in 2019-20—a record amount.

**Jim Shannon:** In my contribution, I referred to the take-up figure of 91,000. The number that could take up the scheme is 417,000. I asked what the Government are doing to bridge that gap and ensure that people take up the scheme.

**Nick Gibb:** I will come to that point in a moment. We believe that the take-up of all the different schemes has been very high, but we always want to do more to ensure that it continues to increase.

The introduction of 30 hours has been a large-scale transformational programme, and such change can be challenging, but tens of thousands of providers have none the less responded to make it a success, because of their ongoing commitment to helping families. The evaluation of the introduction of the 30-hour entitlement found that three quarters of providers delivering free entitlement places were willing and able to deliver the extended hours with no negative effects on other provision or the sufficiency of childcare places. Almost two thirds of providers offered full flexibility with free choice to parents on when they could take the extended hours. Overall, we are already starting to see how the 30-hour entitlement is making a difference to families across the country.

The childcare market in England consists of a diverse range of provider types, allowing parents real choice in their childcare provision. The supply of childcare in England is generally high quality, with more than nine in 10 providers rated good or outstanding by Ofsted. There are strong indications that supply can meet parent demand for Government-funded entitlements.

Nearly 79,000 private childcare providers were registered with Ofsted in August 2018 and more than 7,500 school-based providers, including maintained nursery schools, were offering early years childcare.

While there are some examples of providers closing, as the hon. Member for Stockton North (Alex Cunningham) pointed out, there is no evidence of widespread closures in the private and voluntary childcare market. The latest official Ofsted data, published in December 2018, showed that the numbers of childcare providers on non-domestic premises is fairly stable over time, showing a marginal 2% decrease compared with 2012. Providers joining and leaving the Ofsted register is normal in a private market and can be due to a variety of reasons. In fact, more non-domestic providers joined the register between 31 March 2018 and 31 August 2018 than left.

**Tracy Brabin:** Will the Minister accept that in order to keep the lights on, some smaller nurseries have had to ask parents for top-ups, such as baking birthday cakes and selling them, or even taking in ironing in order to keep their business going?

**Nick Gibb:** These issues are always raised. While there are some examples of providers closing, there is no evidence of widespread closures in the private or voluntary childcare sector. As important as the availability of places is, I am pleased that the quality of childcare providers remains high, with more than nine in 10 rated good or outstanding by Ofsted. In January 2018, more than 1.2 million children under five were receiving funded early education in settings rated good or outstanding. We continue to support growth in the childcare sector. As part of that, we have allocated £100 million in capital funding to create extra high quality childcare places.

Maintained nursery schools were mentioned in the debate. They provide high quality early education and support some of our disadvantaged children. I have seen that for myself in my constituency. In order to allow the hon. Member for Bristol North West to make some final remarks, I take the opportunity to again thank him for securing this debate. High quality childcare provides crucial support for children's development and prepares children for school. The free childcare entitlements being provided by so many impressive providers are backed by record levels of Government spending.

10.59 am

**Darren Jones:** I thank all Members for their contributions today. Like all parents and providers across the country, I look forward to seeing the Government's words turned into actions.

*Question put and agreed to.*

*Resolved,*

That this House has considered the costs and benefits of free childcare.

## Heat Networks: Greenwich and Woolwich

11 am

**Matthew Pennycook** (Greenwich and Woolwich) (Lab): I beg to move,

That this House has considered heat networks in Greenwich and Woolwich.

It is a pleasure to serve under your chairmanship, Mr Davies. I am grateful to the Minister for responding to the debate and for previously finding time in her busy diary to discuss the issue with me.

This is not the first time that I have expressed concerns about systemic problems in the UK heat network sector and I suspect it will not be the last. In the comparatively short time that I have been a Member of the House, I have raised the issue on numerous occasions and I have repeatedly made the case for statutory regulation of heat networks, particularly those that supply domestic customers.

For a long time, it felt as if those of us calling for greater protection for heat network customers were making no headway. When asked, former Energy Ministers would nod sympathetically and politely explain that statutory regulation was not appropriate and risked strangling an emerging industry in red tape. When I turned to the Competition and Markets Authority a few years back and made the simple request that it open an area of investigation into the industry, I was told that it had no plans to do so.

Thankfully, the situation has changed. The CMA was persuaded to carry out a detailed market study into heat networks and it published a final report in July that made several sensible recommendations. Ministers have now accepted the need to introduce a regulatory framework for the sector.

Of course, that is welcome, but it provides little comfort to heat network customers who are not getting a fair deal and for whom every month that passes without effective protections being put in place means continued poor service and expensive bills. That should concern us all deeply, and I know it concerns the Minister, not only because of the Government's avowed aim to keep customer bills as low as possible, but because of the possibility of the widespread loss of consumer confidence in heat networks, which would make it harder for the UK to decarbonise heat and reduce overall greenhouse gas emissions.

As the Minister is aware, if the UK is to meet its future emissions reduction targets, we have to do more to decarbonise heat. The Committee on Climate Change estimates that about 18% of UK heat will need to come from heat networks by 2050 if the UK is to meet those targets cost-effectively. From a consumer protection and an environmental perspective, we cannot allow the benefits of heat networks to be tainted as a result of our failure to address promptly the flaws in the sector before it grows significantly over the next decade.

My purpose in securing the debate is to highlight the impact of the current absence of a regulatory framework on heat network customers in my constituency, to make the case for the urgent introduction of statutory regulation, and to urge the Minister to give some thought to what might be done in the interim to protect the minority of customers at the sharp end of industry practice.

For many customers, heat networks offer an efficient supply of heat and hot water at prices close to or lower than other sources of supply such as gas and electricity, with comparable service standards. It is not in dispute, however, that a significant minority of heat network customers are being badly let down. In London, as the Minister knows, the number of heat networks is growing rapidly, partly because developers are incentivised by London's planning framework to install onsite systems, and partly because their use makes a huge amount of sense given the density of new build developments in the capital.

In my constituency, every large new build development, of which there are a great many each year, invariably includes a communal gas boiler, a combined heat and power engine, or a biomass boiler. That should be something to celebrate, and it would be, were it not for the fact that many of those networks and their operators are badly failing those who have no choice but to be served by them.

Since my election in 2015, not a month has gone by in which at least one constituent, served by one of the at least 13 communal heating schemes in my constituency, has not written to me with a complaint. Those served by privately operated schemes are at a much greater risk of poorer outcomes in terms of price and service, which, along with other factors that are specific to London or more prevalent there, explains why so many heat network customers in constituencies such as mine are suffering.

I will touch briefly on the three main drivers of the problem. First, while the London planning framework deliberately incentivises the installation of heat networks, more general planning requirements often lead to the installation of poor quality infrastructure or systems that are inherently expensive to operate. The situation is exacerbated by the lack of enforceable technical standards. The result is that communal heating systems are prone to failure and cost consumers more than they should.

Secondly, there is a very real problem with the choice of heat network operators. In my constituency, this issue relates almost exclusively to new build developments, so there is no existing body of residents to put pressure on the building owner to provide a customer-focused heat supply. In the absence of consumer pressure of that kind, the developers, which have no long-term interest in a site, have almost no stake in which operator they award a contract to. If the anecdotes I have heard from those involved in the local property market are to be believed, the selection of an operator is more often than not determined by which commits to giving the developer the largest up-front capital contribution to offset the capital costs incurred in having to install the network.

Even developers that have a long-term interest in the site complain to me that they have a limited choice of who could operate the network. The result is that developers invariably turn to one of the small number of large, established suppliers, or one of the growing number of much smaller, less established operators, both of which can be problematic.

Thirdly, heat networks are natural monopolies. They require a relatively large up-front capital expenditure. When a contract is awarded to an operator, it tends to last for decades. The operators for most of the communal heating systems in my constituency have contracts lasting for more than two decades. Some last for 30 or even



35 years. There are, of course, good suppliers out there, but if the group of customers has no freedom to switch to an alternative heating system until the mid-2030s or even 2040s, there is little or no competitive pressure to offer reasonable prices, a reliable supply and a high quality of service.

In my experience, the result is that the majority of heat network operators are totally unresponsive to their customers. The large operators seem not to care particularly about what amounts to a very small part of their business model, and many of the smaller operators are—to put it bluntly—a law unto themselves, because they do not even have to worry about the reputational impact of providing a poor service.

The combination of those three factors on a significant minority of heat network customers is well documented. A minority of privately owned heat network schemes offer extremely poor value for money. Even allowing for the fact that heat charges cannot be directly compared with standard gas and electricity prices, the tariffs levied on some of those customers cannot be justified. Moreover, unit prices and average bills vary significantly between schemes. I have seen evidence of discrepancies in charging between customers on the same scheme and in the same development, and significant month-by-month variation for individual customers when it comes to standing charges, which are supposed to be set annually.

There is a lack of transparency in billing for many heat network customers. Over the years, I have been sent many examples, and the vast majority of the bills are barely penetrable. Is it any wonder that most customers do not feel able to challenge their supplier on cost, prices and services? I suspect that a number of heat network operators prefer it that way, because it reduces the pressure on them to provide reliable, value-for-money heat.

Those problems are exacerbated by the fact that heat network customers do not have the same regulated consumer protections as domestic gas and electricity customers. It is true that some communal heating schemes are registered with the Heat Trust, but there is no requirement for individual heat network operators to register themselves with the trust or to register all their schemes. As a result, the Heat Trust provides only limited protection to consumers, and operators can pick and choose which of their heat network schemes they wish to be held accountable for and which they do not.

To illustrate what that perfect storm means for individual customers served by privately operated schemes in London, let me take a concrete example from my constituency. There are many that I could choose from, from the E.ON-run scheme at New Capital quay in Greenwich to the Evox-run scheme at Wick tower in Woolwich. I will focus on the most recent case that has been brought to my attention: a scheme operated by a company called Vital Energi in a development called the Movement in central Greenwich.

The 530-unit development was constructed in 2015, and after—one hopes—an open, competitive tendering process, the operator was awarded a decades-long contract to operate the onsite communal heating system. Residents of Bellville house, the main block on the development, recently wrote to me en masse with a series of complaints relating to heat and hot water outages, a lack of transparency in billing, misinformation from their supplier

and dire customer service. All those areas of concern are echoed in the findings of the CMA's final report. However, their main grievance was the price hike that Vital Energi landed them with on 1 October last year. Not only did the operator increase the standing charge and what is itemised in the bills as "Separate capital replacement 1" and "capital replacement 2" charges—whatever that might mean—but the unit charge was increased by a staggering 96%.

As the Member of Parliament, I have no way of ascertaining whether the operator had valid grounds for that price hike, or whether Vital Energi simply priced in an exorbitant profit. The problem, however, is that residents of Bellville house and the rest of the development cannot submit a complaint to the ombudsman for it to adjudicate on the matter because Vital Energi has chosen not to register the scheme with the Heat Trust. Vital Energi has registered a scheme in Bristol, but for some reason has chosen not to cover the scheme on the Movement development, so residents have no protection other than the limited protection afforded to them by the Heat Network (Metering and Billing) Regulations 2014 and general consumer protection and competition law.

The hundreds of residents on that one Greenwich development are not alone; thousands of heat network customers in my constituency face similar problems and are not getting a fair deal, undoubtedly with tens of thousands more across the country. Their ranks swell with every high-density new build development constructed in my constituency, across London and in other parts of the country in urban areas.

I would be grateful if the Minister addressed two specific questions in her response. First, how long will it be before heat networks are regulated? The Department welcomed the recommendations in the CMA's final report and made it clear that it intends to consult on more detailed policy proposals later this year, with any subsequent legislation to follow as parliamentary time allows. I appreciate that policy needs careful preparation and that any legislation required cannot be rushed, but any heat network customers watching our proceedings today will be forgiven for worrying that they will still be without effective protection for years to come. I know that the Minister will do everything she can within Government to address their concerns, but will she provide more detail with regard to the outlines of the regulatory framework that the Department believes is necessary and, more importantly, the estimated timeline for implementation?

Secondly, what, if anything, can be done in the short term, before a new regulatory framework is established, to give heat network customers greater protection? For example, will the Department do more to persuade and, if need be, cajole suppliers and operators to ensure that all of their heat networks are registered with the Heat Trust? Will Ministers write to operators such as Vital Energi to make it clear that they are expected to register each of their schemes with the trust? Such a step would not be a panacea, but it would at least ensure that all customers received minimum service standards and had access, if they felt it necessary, to the energy ombudsman. Will the Minister touch on that and on what steps might be taken to protect customers in the here and now, before the introduction of a regulatory framework?

[Matthew Pennycook]

The Minister knows what the problem is, she knows what needs to change and I know that she is doing her best to push the process along, but I urge her to redouble her efforts. Heat network customers are not getting a fair deal now, and are being ripped off in many cases. They are not being well served and cannot wait another year, or possibly two years, for those protections to be introduced.

11.13 am

**The Minister for Energy and Clean Growth (Claire Perry):** It is a pleasure to serve under your chairmanship, Mr Davies, in particular as you have a long-standing interest in the whole area of decarbonisation.

I sincerely congratulate the hon. Member for Greenwich and Woolwich (Matthew Pennycook) on securing the debate. He, as usual, gave us a thoughtful, informed and passionate exposition of the problem. In his current position, and as a councillor for half a decade, he has campaigned hard on such matters. He has also been assiduous in his correspondence with me. We have discussed the matter face to face and via correspondence on multiple occasions. I will address some of his concerns and come back to him on his action points—as we all know, I am a woman who likes to get things done.

To set the scene for why this is an important debate for the hon. Gentleman's constituents and more generally, we believe that heat networks have an important part to play in the decarbonisation of the heat system in future. About half a million customers are part of a heat network, with about 14,000 individual schemes throughout the UK. As he has pointed out, however, there have been ongoing concerns about treatment of consumers and effective regulation of a small monopoly provider. That is why the CMA produced a report, to which we responded.

Last December we published a commitment to developing a market framework that will protect customers, including through regulation where needed. I believe that five of the seven networks in the hon. Gentleman's constituency are members of the Heat Trust, to which he referred. Their feedback and that of others in the market has demonstrated widespread support for that commitment.

An immediate priority is to tackle the lower-performing networks. The hon. Gentleman makes a very strong case as to why some of those are in his constituency. Before addressing the broader question of how we regulate the market, it is hugely important to address the problems of people who are already on lower-performing networks.

Of course, the market is already regulated, and that includes consumers on networks, who are covered by general consumer protection regulation. In addition, there are the Heat Network (Metering and Billing) Regulations 2014, and customers on a Heat Trust registered scheme have free access to the energy ombudsman's services. I was very pleased to meet energy ombudsman representatives only a few days ago and welcome their commitment to improving customer service for all customers, including those on heat network schemes.

Our large-scale survey in 2017 found that, on average, heat network customers are as satisfied with their heating systems as non-heat-network consumers, and that, on

average, they pay about £100 less for their heating and hot water. Clearly, however, there are also examples of consumers on heat network schemes who are more likely to experience a loss of heating and less likely to receive a bill statement or account summary. As the hon. Gentleman eloquently pointed out, that reduces people's understanding of what they are being billed for and possibly their ability to campaign to change suppliers. Heat networks are perceived reasonably well, but clearly there is much more to be done. There is evidence that some customers are getting poor deals in terms of value for money—the prices that they are paying.

Therefore, as we said in December, we agree that the sector needs to be improved. We have set out our priorities for addressing the CMA's recommendations. We strongly believe that a long-term market framework needs to be underpinned by regulation, with Ofgem best placed to take on the role—essentially, taking on whichever legislative powers we agree to give it. As the hon. Gentleman said, we will consult further on those powers later this year.

As I said at the beginning of my speech, that is not just because we want to ensure that consumers have adequate redress, particularly if they are on low-performing networks, but because there are huge potential benefits, both for customers and for decarbonisation. Heat accounts for about one third of the UK's carbon emissions. We have to cut emissions from heat. We have had various other schemes, such as the renewable heat incentive and the energy company obligation. In February, I opened the heat networks investment project, which will see up to £320 million of capital funding invested in heat network projects through grants and loans across England and Wales.

The hon. Gentleman, who is standing up for his constituents in Greenwich and Woolwich, will know that many of the early heat networks came about in London. There are real planning incentives to bring forward networks in London, and there have been some excellent examples of that being done. I was happy to convene an investor roundtable a few months ago, to understand how we could reduce barriers outside London to ensure that networks could be deployed more fully. As we roll them out, though, we have to be mindful of the consumer experience, so we not only intend to bring forward legislation, but want to ensure that the Heat Trust or equivalent standards are widely adopted, are in place, and are actually delivering the consumer support required.

As the hon. Gentleman knows, the Heat Trust is a UK-wide independent consumer protection scheme, which draws on the terms of service offered to gas and electricity consumers. Heat Trust membership continues to grow, but, as the hon. Gentleman pointed out, right now it is a voluntary scheme. He makes an excellent suggestion: I will indeed, while we are in this period of refining and consulting on the regulatory requirements, commit to writing to all heat network members that are not part of the Heat Trust scheme, essentially to suggest that it is a very high-quality voluntary scheme and that we would like to ensure that all members sign up to it. That was a very good suggestion.

We are absolutely committed to heat networks. It has been good to learn from some of the experiences, both good and bad, in London. It is no comfort to the hon. Gentleman's constituents, however, that his area still

has networks that he and others believe are providing a poor-quality service. I will therefore leave this debate with redoubled vigour to ensure that we consult on and bring forward the necessary framework as quickly as possible. I have to say, however, that the way to unclog the current parliamentary timetable, which is snowed up with Brexit, is of course to vote for the deal, so that we can get on with our lives and get on with dealing with the very many other issues that affect the day-to-day lives of all our constituents.

*Question put and agreed to.*

11.20 am

*Sitting suspended.*

## Merseyside Police Funding

[SIR EDWARD LEIGH *in the Chair*]

2.30 pm

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op): I beg to move,

That this House has considered the funding of Merseyside Police.

It is, as ever, a pleasure to serve under your chairmanship, Sir Edward. I am grateful to my hon. Friends from across Merseyside who have joined us for this Westminster Hall debate this afternoon.

I begin by paying tribute to our Merseyside police officers, police community support officers and police staff, who do a fantastic job in extremely challenging circumstances. Police officers across the country take enormous risks to keep us safe. I pay tribute to our officers for their service. In particular, I thank Andy Cooke, our Merseyside chief constable, and Jane Kennedy, our excellent police and crime commissioner, for their leadership through a tough time.

The police on Merseyside have been struggling with almost a decade of year-on-year real-terms cuts in funding. Since 2010, Merseyside police has been required to make cuts of £110 million. We have seen a cut of one third in the police grant to Merseyside, so it came as no surprise to my constituents last September when the National Audit Office confirmed that Merseyside police is the third worst hit force across England and Wales in terms of cuts in funding. As a consequence of those cuts, we have lost 1,700 staff and police officers since 2010. That translates to one in four—25%—of police officer posts gone. At the same time, Merseyside fire and rescue service has seen its budget cut in half by the Government. Liverpool City Council has faced some of the most savage funding cuts of any local authority.

The impact has been felt in every area of policing. Chief Constable Andy Cooke has warned that Merseyside police is reaching breaking point as budgets are “stretched to the limits”. Of course, the situation is not unique to Merseyside. Last year, the Home Affairs Committee issued a stark warning that policing in this country is at risk of becoming “irrelevant” amid falling staff numbers and rising crime.

The additional £8.4 million in Government grant to Merseyside police for the coming year will be consumed entirely by meeting the pension shortfall. While the additional funding is of course welcome, there is no guarantee that the pension grant will be repeated in future years. When the Minister responds, will she give an assurance that the additional funding, which is welcome, will continue beyond 2020? The settlement provides no new money from Government for the day-to-day running of our police, the cost of which increases every year with inflation, particularly wage inflation. Yet again, our PCC Jane Kennedy has had no alternative but to ask local people to pay more in council tax to keep police on our streets and in our communities.

**Ms Angela Eagle** (Wallasey) (Lab): Clearly on the Wirral, we do not have some of the more dramatic issues that those on the other side of the river have, but does my hon. Friend agree that local taxpayers are



[Ms Angela Eagle]

asked to fund increases well above inflation, yet there is no extra money for putting frontline officers back on the beat to improve the visibility of the police presence? They are being asked to pay more, yet the service they receive seems to carry on disintegrating.

**Stephen Twigg:** My hon. Friend is absolutely right. I am sure her constituents say to her as mine do to me that there is that sense of having to make an increased contribution, yet not seeing an improvement in service.

With the increase in precept this year, there will be some new officers, which is very welcome, but it comes after almost a decade of considerable cutbacks. During the consultation on this year's council tax increase, about three quarters of respondents indicated that they were willing to pay the additional money to protect police officer numbers and to put some extra officers on the beat, so our commissioner took the reluctant—I think—decision to propose an increase in the precept to generate an additional £10 million.

That increase, for most households—most Merseyside households are in band A for council tax—is £16 a year; for a band D property, it is £24 a year. Families across Merseyside, in our constituencies, face tight finances, so that kind of decision taken by local politicians is not one that is taken lightly. In an environment of increasing crime, however, with increasing calls for help from the public, politicians were left with no alternative. We simply cannot afford to lose any more officers, police community support officers or police staff in Merseyside.

**Frank Field** (Birkenhead) (Ind): I congratulate my hon. Friend on securing this important debate. On the Wirral side, we have begun to have shootings. I hope that it is only a temporary blip; it is very important that it does not become a way of settling disputes. We will therefore need extra resources. I will see the chief constable on Thursday afternoon, and I will take the results of this debate with me and make the very point that my hon. Friend is making.

**Stephen Twigg:** I thank my right hon. Friend for that important intervention. We have seen an increase in shootings on the Liverpool side as well, and he is right to emphasise the real risk to our communities. I represent Croxteth and Norris Green which, a decade or so ago, suffered very serious issues to do with so-called gang violence, including the use of firearms. The strong sense in those communities is that they do not want to go back to those days. One of the ways to ensure that they do not is to resource our police service properly.

**Gillian Keegan** (Chichester) (Con): I am not a Merseyside MP, but I grew up there. I pay tribute to Merseyside police, who thankfully I did not cause too much trouble to, but they were always there if required—

**Ms Angela Eagle:** That's what you say!

**Gillian Keegan:** I think they would probably still say that.

For the record, my hon. Friend the Member for Southport (Damien Moore) would like to be present to take part in this debate, but he is on a parliamentary

trip to the Falklands with our armed forces. Like me, he voted to increase the funding for all police—as we know, across the country there is a mixed funding model for the police—and for Merseyside police by up to £18 million, we hope.

Does the hon. Gentleman agree that many changes are going on in the police force, in particular the access to lots of technology? From going out with my police force, I know that there are a lot of changes, so straight-on comparisons of the amount of resource are difficult, because the whole nature of policing is changing across the country.

**Stephen Twigg:** There is no doubt that the nature of policing is changing and that technological innovation is providing opportunities, but I think that bobbies on the beat are still a fundamental part of what our constituents expect of policing. I will come on to that in a moment when I talk about the impact that almost a decade of austerity has had on neighbourhood policing across Merseyside, including in my constituency.

The increase in the precept enabled the chief constable to avoid a planned further cut of 100 police posts and provided the opportunity for an increase of 40 police officers across the whole of Merseyside. That is a modest increase, but welcome, and it is the first time that officer numbers have increased in nine years. In a sense, this relates to the point made by the hon. Member for Chichester (Gillian Keegan). If we contrast the position in a place such as Liverpool with that in her constituency, the Merseyside police force is heavily reliant on central Government for funding—77% comes from central Government. As that funding has been reduced, the only way in which the impact can be ameliorated is for local people to step in through the council tax. As a result, Merseyside police is more dependent on hard-working local taxpayers, whose contribution to its funding has risen from 15% in 2010-11 to 23% in the coming year. Even with that increase in council tax, the force's overall funding has reduced, as I said.

Let me contrast that with Surrey, one of four police forces that raises more funds locally than it gets from central Government, simply because it has a much more affluent council tax base. Surrey raises 57% of its funds through council tax, compared with 23% on Merseyside. As a result, although its budget has fallen, it has fallen by a lot less than Merseyside's. The same story could be told about other areas with high levels of social and economic deprivation. Surely, that is inherently unfair. Does the Minister recognise the unfairness of passing the burden on to the local taxpayer where the ability to raise more locally is demonstrably regressive, meaning that the system itself compounds existing inequalities?

Merseyside has consistently been recognised as one of the best performing metropolitan police forces in the country, but the combination of cuts and rising crime inevitably has serious implications. That brings me to the latest crime statistics. Office for National Statistics stats show that crime across Merseyside increased by 12% in the year to last September. That does not paint the full picture. Robbery was up 18%, violent crime was up 16% and knife crime was at its highest level in 10 years, with more than 900 serious incidents reported last year. My right hon. Friend the Member for Birkenhead (Frank Field) talked about the threat of shootings and firearms offences. I pay tribute to our police force for

the priority it has given such offences in recent years, which meant firearms offences on Merseyside fell from 258 in 2012 to 199 in 2016. Very sadly, that trend has reversed: in 2017, the last full year for which we have figures, firearms offences increased sharply to 353.

People in Merseyside are bearing the brunt of police funding cuts, of which the most visible example for many is the loss of neighbourhood policing. Neighbourhood police are the eyes and ears in our communities. Although crime trends have changed, the importance of a visible policing presence on our streets surely has not, so one of the many areas of concern is that we have lost 46%—almost half—of our police community support officers since 2010. Neighbourhood policing is at the heart of tackling the scourge of antisocial behaviour, the low-level crime that so often makes people's lives a misery. The loss of PCSOs, combined with the rise in more serious violent crime, has had the inevitable effect that, despite the best efforts of officers on the ground, they so often do not have the resources to respond to that blight on our communities.

One example of that is the impact of so-called scrambler bikes. I am delighted that my hon. Friend the Member for Sheffield, Heeley (Louise Haigh) is on the Front Bench, because she has led on that issue in the House. Those nuisance bikes are noisy, intimidating and frightening. They affect the quality of life of our constituents and pose a real threat to safety on roads, on footpaths and in parks. They endanger the safety of both pedestrians and other road users, and increasingly are used to carry out serious crime. I have worked with our commissioner and the local force to try to tackle the issue. Merseyside police is doing good things to identify and prosecute people for the illegal use of off-road bikes, but it tells me it needs the resources and powers to do more to tackle that appalling scourge.

I welcome the Home Office's proposals to help tackle motorcycle-related crime by providing police officers with better legal protection when they pursue suspects. Those long-overdue proposals went out to consultation last May, but as I understand it, we have not yet had a Government response to that consultation. I hope the Minister can provide an update on the Government's plans to tackle the scourge of scrambler bikes and motorcycle-related crime.

Another area of great concern in my constituency and across Merseyside is road safety, and the impact on road safety of the loss of funding. Across the country, the number of dedicated traffic police officers has fallen by nearly a third in the past decade. In that time, the decline in the number of deaths on our roads has stagnated; indeed, the number of deaths on our roads last year was at its highest since 2011.

In Merseyside, there has been a concerted effort to keep those numbers down, with the ultimate aim of nobody losing their life on our roads. More than 500 people were killed or seriously injured there in 2017, which was a significant drop from 599 the previous year. I pay tribute to Jane Kennedy for the personal lead she has provided in seeking seriously to reduce those numbers. Every single death or injury is one too many, and I fear that spending cuts could compromise the vision of zero deaths and serious injuries on our roads.

I briefly pay tribute to the fantastic work of the Bobby Collieran Trust, which campaigns for road safety around schools. It was set up by the family and friends

of Bobby Collieran, a little boy who died on his way home from Blackmoor Park Infant School in West Derby in my constituency. They have dedicated themselves to working with schools, the local authority and others to limit the number of injuries and deaths, and to make our roads—especially those near schools—safer.

Rising crime and police cuts affect our communities, but they also directly affect those who work in the police service. Last week, a national Police Federation survey of 18,000 officers of all ranks found that nearly 90% of officers say that the police are understaffed. Responses from Merseyside reveal that 84% of officers say that not enough officers are available for the job to be done properly; that 72% are often or always singlecrewed; and that 76% experienced stress and anxiety in the previous year. The survey paints an all-too-familiar picture to those of us who talk to police officers working in our constituencies. They are overburdened, stressed out and often exhausted. They work under immense pressure with fewer resources at a time of rising crime.

Tragically, we have seen in Merseyside several shocking incidents of officers being targeted while carrying out their duties, including the tragic example of PC Dave Phillips, who was killed in a hit and run in Wallasey, in the constituency of my hon. Friend the Member for Wallasey (Ms Eagle). Other incidents include a petrol bombing at a scene in Anfield and an officer being stabbed in Huyton, in the constituency of my right hon. Friend the Member for Knowsley (Mr Howarth).

There remains a lot of uncertainty over future funding levels for Merseyside police. I am told that the force's own forecast is that, over the medium term, it may need to make further savings of around £22 million to balance the books. I hope that the Minister can give us some assurance that the Government recognise the scale of the challenge facing Merseyside police, and that there is the potential for new money to bridge this funding gap and provide the force with the resources it so desperately needs to tackle rising levels of crime.

It surely cannot be right that the largest cuts in police funding hit the communities with the greatest social and economic need. I urge the Home Office to engage with Merseyside police to address this serious funding crisis as a matter of urgency.

2.49 pm

**Maria Eagle** (Garston and Halewood) (Lab): It is a pleasure to serve under your chairmanship, Sir Edward, and to follow my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg), whom I congratulate on securing this timely debate. I agree with much of what he had to say, particularly on the consequences of year-on-year real-terms cuts. There is no doubt that the Lib Dem-Tory coalition Government from 2010 and the Tory Governments that succeeded them from 2015 slashed the capacity of Merseyside police to do the job that it does so well and that we all need it to do. My hon. Friend is correct that there has been, in effect, a 32% reduction in central Government funding in that time.

Even if we take into account the extra income raised by the allowed increase in the precept—he set out some of the issues relating to that, which I will come back to—there has still been a 21% reduction in real terms. My hon. Friend made it clear that it is not easy to raise

[Maria Eagle]

the precept, partly because there is a low council tax base across Merseyside, and partly because the people who have to pay it face other cost pressures—they not only have to pay other precepts, but they are already hard-pressed to pay their ordinary bills. We therefore cannot simply keep saying that the precept can be raised.

It is a particularly deplorable trait—I do not blame the Minister personally for this—that the Government have tried to claim in the figures they put out that the increase in the precept is an increase in the money from them. The Department and Ministers—perhaps the Minister could address this—should stop including the money raised from the precept, if it is all collected, in the grant money, which gives the idea that the Government have handed over the money, when they have not. The difference it makes to Merseyside this year is between £8 million—the additional money that the Government have given—and £18 million. The Government cannot claim that they have given Merseyside police an increase of £18 million, as they repeatedly do.

There has been a switch from central Government funding to a reliance on hard-pressed council tax payers to pay for basic policing needs and to try to ameliorate the declining ability of the police. The force is down a quarter of its officers—1,120 police officers have gone on Merseyside. Although the increase of 40 that the police and crime commissioner is hoping to introduce this year is incredibly welcome, that does not make much of an impression, given that 1,120 officers and half of our PCSOs have gone.

Neighbourhood policing is particularly hard hit when hard choices have to be made about what the police can afford to do, because something has to give. That stores up problems for the future in a way that cannot be calculated at this stage. PCSOs and neighbourhood policing are the eyes and ears of the police. Neighbourhood policing prevents future crime and diverts young people and those who are going off the rails from the path they are choosing. It can lead to less crime in the future. To get rid of neighbourhood policing and make it impossible is a false economy. It is stupid in policy terms. It is damaging to the police's future capacity to do their job.

Investigations have also been hard hit. If the police cannot investigate crime, crime does not get solved. People get away with crime, and lives of crime can continue with some reward. That is not a good way of dealing with possible future difficulties.

There has been an overall increase in all crimes on Merseyside of 29% in the past five years, and 12% in the past year. We are seeing an accelerating increase in crime on Merseyside. After 10 years of year-on-year, real-terms cuts in resource, that is not surprising. It is accelerating and will accelerate more if the Government do not realise that they cannot have policing in an area like Merseyside on the cheap. They must resource policing better, otherwise this will get worse.

That is without taking into consideration the new types of crime that we are beginning to see: there is masses of cyber-crime and online fraud, and people in our society have other vulnerabilities and need to be protected. New crime is coming along to challenge traditional policing, but old types of crimes are also coming back and increasing on Merseyside. My hon.

Friend the Member for Liverpool, West Derby referred to knife crime, as did the right hon. Member for Birkenhead (Frank Field), and it has increased by 31% in the past year—a huge increase that includes fatal stabbings.

A number of us, including my right hon. Friend the Member for Knowsley (Mr Howarth) and other Merseyside colleagues, have met Ministers from this Government and the previous one for three or four years. We have raised issues of gun crime and gangs, but we have received not one iota of help or one extra penny to deal with those issues. It is about time the Government ensured that Merseyside police, which is excellent at dealing with criminal gangs, gets the resources to turn back the tide which, at present, is rising.

Last week, the *Liverpool Echo* reported that there have been nine incidents of firearm discharge on Merseyside streets so far this year. The year is not very old. Those incidents include one fatal shooting. Another chap was shot while holding his child in his arms, and it would not have taken much for that incident to have been even worse than it ended up being. There has been a 29% increase in demand for police services on Merseyside in the past five years, but at the same time the overall police establishment has reduced by 22% and we have had year-on-year cuts. It is not rocket science, and it does not take a genius to see that that situation will lead to more, and worse, problems in future.

Merseyside police is consistently recognised by Her Majesty's inspectorate of constabulary and fire and rescue services as one of the best performing metropolitan forces, but it is becoming increasingly difficult for it to do the job. Is it any wonder that those Merseyside police who took part in the Police Federation capacity and welfare survey, to which my hon. Friend the Member for Liverpool, West Derby referred, reported a job satisfaction rating of four out of 10? Some 84% of police said that there were not enough officers to do the job properly, 67% said that their workload was “too high” or “much too high”, and 72% stated that they were often or always single-crewed. More than three quarters of those surveyed indicated that stress, low mood, anxiety or other health and wellbeing difficulties were assailing them and had done so in the previous year.

The Government claim that they have increased funds to Merseyside police—that is what we heard in the debate on the police grant report on the Floor of the House last week. Merseyside police has received a 5.8% cash increase for 2019-20, which is the joint lowest in the country together with Cleveland police. Therefore, the £8 million extra—that is £8 million, not £18 million—simply funds the police pension gap that has opened up because of the change in Government policy. What the Government are giving with one hand has already been taken away with the other before it is given. That £8 million will not lead to one extra police officer on our streets, and no Government money has been given to the police on Merseyside to help with policing on the streets next year. There has been no new money to provide policing services on Merseyside since 2010-11, only cuts. That is the reality, and it is simply not good enough.

Despite the horrendous and ongoing challenges, I commend Merseyside police and our police and crime commissioner, Jane Kennedy, for making good things happen when they can. They are using the extra precept



money—the £10 million they hope to raise—to balance the budget and recruit an extra 40 police officers. That will make a dent in the 1,120 who have gone, but not much of one.

Through the careful use of inadequate resources, they can still do some good. Last year, a concerted focus on reducing burglary in dwelling houses, known as Operation Castle, resulted in a 22% fall, which equates to 1,616 fewer crimes of that distressing kind. In the last year, perpetrators of burglaries on dwelling houses have been sentenced to 130 years for those offences, which has taken dangerous and often repeat offenders off our streets. There is always more to be done, but that is a real achievement.

I commend the police and crime commissioner and the chief constable for recognising that police stations in communities that need them are a valuable resource. In that respect, they have recognised the campaigning efforts of Labour councillors and campaigners in Halewood and have undertaken to refurbish Halewood police station and open a new community police station in that building later this year. I welcome the extensive refurbishment of an asset once earmarked for closure. I commend the efforts of local Labour councillors on Halewood Town Council and Knowsley Council for their excellent and focused campaign, which has resulted in that good news.

In closing, however, if the Minister cannot offer Merseyside police far more resources, the crime issues that are building and worsening on Merseyside will only worsen further.

3.1 pm

**Mr George Howarth** (Knowsley) (Lab): May I, too, say how good it is to serve under you in the Chair, Sir Edward? I add my thanks to Jane Kennedy, the police and crime commissioner for Merseyside and to Merseyside police. My hon. Friends the Members for Liverpool, West Derby (Stephen Twigg) and for Garston and Halewood (Maria Eagle) have given us a comprehensive survey of the current situation, particularly the financial problems that Merseyside police faces, which I will say a bit about in a moment.

My hon. Friend the Member for Liverpool, West Derby made the point that a police officer was stabbed in my constituency, which brings home, sharply and regrettably, the risks that police officers face when going about their everyday business of trying to keep us safe. I will return to knife crime in a minute.

As has already been said, Merseyside police has had to make more than £110 million of savings since 2010 and as a consequence, the police officer establishment has been reduced by 1,120, which is a fall of 24.4%. That must have consequences; it cannot simply be brushed aside as, “Well, we don’t need them.” I want to talk about how some of those consequences affect my constituents.

I will make three points. On gun crime, my hon. Friend the Member for Liverpool, West Derby has already stated the statistics, but I will repeat them for emphasis. In Merseyside, there were 79 firearm discharges in 2018 and 94 firearm discharges in 2017. Of the discharges in 2018, 13—16%—were in Knowsley, and in 2017, 22% were in Knowsley. That means that guns are now considered something relatively normal in some

sections of the community, which was unthinkable when I was growing up in the area and cannot be right. There must be some connection between that and the level of policing that Merseyside police can provide.

Knife crime has become commonplace, and 88 knife incidents in Knowsley in one year is really frightening. It is frightening, first, that the knives seem to be readily available, and secondly, that the—mainly young—people who use them seem to think that doing so is perfectly normal. Again, that must be linked to the level of policing provided. My hon. Friend the Member for Liverpool, West Derby rightly referred to the policing model. Neighbourhood policing has now been abandoned, so the intelligence needed to deal with this problem, such as who has the knives, where they are getting them from and all that important information, is not being gathered to the same extent. That is not the police’s fault; they simply do not have the resources.

I will make one further point on knife and gun crime before I move on. This is not unique to Knowsley or to the Merseyside police force area; to a different scale in different places, it exists everywhere. There are a group of young people in this country who will probably not get any GCSEs. Most will get an apprenticeship, find work and make their way in the world. However, there is a sub-group within that who, maybe because of family influence or other influences in the neighbourhood, see a life of crime as being a perfectly normal progression. We need to do much more with those young people, to make them appreciate that, first, that is not normal; secondly, that they have the potential to do other things—really good things in some cases—with their lives; and thirdly, that they need to be in a position where they can provide for a family in later life, and not by the haphazard means of the proceeds of crime.

My second point is on antisocial behaviour. Merseyside police says, and the statistics show, that there has been a recent 32% reduction in the number of reported incidents of antisocial behaviour—[*Interruption.*] I have to say that that is not my experience as a local MP, and I can see from the reaction of my hon. Friends that they feel the same. I simply say that I held two advice surgeries on Friday evening—one in Huyton and one in Kirkby—and most of the cases brought to me were in some way related to antisocial behaviour.

I also think that the term “antisocial behaviour” often does not properly describe the sort of problems we are talking about. For example, with the local social housing provider, Knowsley Housing Trust, I have been dealing with a case of a woman in north Huyton who cannot step out of the door without a volley of abuse being thrown at her by neighbours. The police might classify that as a neighbourly dispute, but when someone is literally afraid to step out of the door because of the abuse they will get from neighbours, that is serious.

People have a right to a reasonably quiet life in which they should not expect daily abuse to be normal, yet in some cases it is. There are people in housing need who might be in a perfectly nice, well-maintained house that they pay the rent on, but they want to move out to get away from the trouble. That cannot be right. There cannot be places in this country where those subjected to antisocial behaviour feel that the only way they can escape it is to move house. Again, it comes back to

[Mr George Howarth]

whether the policing resources are there to deal with the problem. The police are honest about that and say there are not.

There is some light at the end of that particular tunnel, certainly in Knowsley. Knowsley Council, as my hon. Friend the Member for Garston and Halewood is aware, is looking within its resources to see what more support it can provide to the police to get on top of antisocial behaviour. However, should that be the responsibility of the local authority?

**The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins):** Yes!

**Mr Howarth:** The Minister nods her head and says yes from a sedentary position. Perhaps up to a point she is right, but at the end of the day Knowsley Council does not have the powers to intervene in such cases without the support of the police. All it can do is to help to point the police in the right direction, perhaps building up a case with some evidence, but in the end it has to be a policing matter.

Finally, I agree with my hon. Friends the Members for Liverpool, West Derby and for Garston and Halewood in that I welcome the increase in the precept and that it is not how policing should be paid for. The increase will not have the impact that we need, but nevertheless I welcome it. Late last week, Merseyside police announced that they were going to downgrade Kirkby police station in my constituency, so that it will be open to the public on only two days a week. I recognise that we do not want police to sit in police stations; we want them out on the streets doing things. To be honest, however, if people want to report a crime, to get into a dialogue with the police about antisocial behaviour that they are experiencing or to give information on gun and knife crime when PCSOs are not out and about on the streets, the only place they can do so is at the police station.

I also question the way that the announcement was made on social media. The local councillors and I were alerted to the announcement on social media, but was that any consultation whatever? Is that any way in which to do it? I know why the police had to do it—because they have problems with resources—but I question the method.

A group of local councillors has been invited to meet Merseyside police tomorrow. Those councillors will put the case against the downgrade strongly. The leader of the council, Councillor Graham Morgan, has written to Jane Kennedy, and I will quote from what he said, because I agree with him. This relates back to the decision about the increase in the precept:

“The Chief Constable, and yourself for that matter, had the opportunity to let Cllr Aston know that you were planning the same thing for Kirkby ahead of her formally considering your Precept proposal on Knowsley’s behalf. Nothing at all was mentioned!

As you know, Cllr Aston moved the proposal and Knowsley reluctantly supported you, noting that colleagues in St Helens were not in a position to do so given the issues relating to Newton Police Station”—

which my hon. Friend the Member for St Helens North (Conor McGinn) raised in a debate in this very Chamber. The letter continues:

“I ask myself would we have taken this course of action”—

to vote for the increase in the precept—

“if we were made aware that we too were going to see a reduction, almost identical to that faced by our colleagues in St Helens?”

For the leader of Knowsley Council, the sort of person who tries to be reasonable with everyone, to write in such strong terms is an indication of how annoyed the community are about that. I share that annoyance. When the police meet the local councillors tomorrow, I hope that they will reach a solution that does not involve virtually closing down Kirkby police station for most of the week.

Unless Ministers appreciate the terrible circumstances in which the police have to operate throughout the Merseyside police force area, and do so quickly, I am afraid that we will have this debate repeatedly, with some of the problems that we are concerned about just going up and up. That cannot be right.

3.15 pm

**Ms Angela Eagle (Wallasey) (Lab):** It is a pleasure to serve with you in the Chair, Sir Edward. I will not repeat the stark figures that my hon. Friends the Members for Liverpool, West Derby (Stephen Twigg) and for Garston and Halewood (Maria Eagle) and my right hon. Friend the Member for Knowsley (Mr Howarth) put on the record, which show the terrible difficulties the Government’s decisions about police funding have left both the chief constable, Andy Cooke, and our PCC, Jane Kennedy, in over the years. Suffice it to say that we have seen an increase in demand, a rapid acceleration in crime, a significant reduction in the resources to deal with that demand, and a huge reduction in numbers, which has led to the loss of those eyes and ears that all our communities were so used to seeing when the Merseyside force pioneered the introduction of neighbourhood policing.

I do not think anyone in the room—I certainly hope that includes the Minister—would have anything other than praise for the Merseyside force and the individuals who make up the service. Merseyside police regularly outperforms other police forces. It has made huge efficiency savings over the years and was ahead of the curve in that respect, but it appears to have been punished for that by the scale of the cuts it has had to make. Merseyside police feels very much that it has been made to suffer for entering into the spirit of making efficiency savings and transforming the service. The Minister needs to recognise that my hon. Friends and I—some of us more than others—all represent areas of very complex and difficult policing challenges, particularly with organised crime and gangs, the like of which it is rare to see outside the Met.

The Minister will probably make all the usual arguments about how, really, the Government have massively increased resources and everyone should be able to manage with a bit of snipping and efficiency here, there and everywhere. However, the false economies of the cuts to prevention that decisions by the Minister and her Government are forcing on the Merseyside force will come back to haunt us in the not-too-distant future. Because many of the officers who remain are forced to do so much more with far fewer resources, they are becoming overstretched, and that is affecting their ability and capacity to do their job, their enthusiasm for the job and their mental health. Some of them are approaching burn-out, as demonstrated by the review my hon. Friends mentioned.

Aside from storing up trouble for the future, what do the cuts and pressures that the Minister and her Government colleagues are presiding over mean for our communities? What kind of society are my constituents in Wallasey and everyone else in Merseyside expected to put up with? It is one where respect for the law is decreasing rather than increasing; one where communities are cynical about reporting what is going on because they never get an adequate response; one where the police have to make really difficult choices about who to respond to and whether to respond in any meaningful way at all; and one where the wrong incentives are demonstrated day in, day out. It teaches that crime can pay and that the police are so overstretched that they will not arrive and deal with issues, so low-level crime begins to escalate, and that they are beginning to lose control of the streets.

There have been incidents in my constituency, which by some definitions is at the quieter end of the Merseyside area, of thugs arriving at people's doors and threatening them if they have complained about scrambler bikes and low-level crime. The police have been to visit, and the thugs have come back and threatened members of the household for supporting each other and trying to do the right thing. The fact that the police do not have the resources to follow up makes previously law-abiding citizens, who believed that the police were there to help them, frightened to stay in those areas. They become increasingly cynical about reporting anything because they do not think the police can respond properly, and it makes them really question their values. That is what the Minister and her Government are presiding over by not funding our services properly.

What kind of society are we building if the cuts to the Merseyside force have stretched it to that extent? Given the emergence of county lines problems, no one should think for a minute that the issues that people have to live with in inner-city areas will not spread. They will, and we are now beginning to see them spread down train lines to areas that were previously untouched. We are seeing the increasing exploitation of people by organised gangs for drug purposes and the spread of really bad behaviour, which wreaks havoc in formerly quiet and law-abiding communities. That creates even more difficult problems and provides the wrong incentives.

I urge the Minister to give us some comfort that the Government will not continue unfairly expecting people on council tax band A and in poorer, more deprived areas to pay for the increasing cost of policing in areas that were difficult to start with, but that the Government will take their share of responsibility, step up to the plate and fund the forces of law and order that keep our society safe and secure. That would give people the confidence to plan, to be out on the street, to talk to each other and to have a proper community, rather than cower behind their doors, worried about antisocial behaviour and thuggery, which is spreading. The Minister must assure us that she has heard what we are saying and that her Government will respond in a way that will make a difference. They must reassure us and our constituents that they will fund our police services properly and will not resort to the unfair practice of putting the biggest burden of policing on those who are least able to cope with it.

3.23 pm

**Bill Esterson** (Sefton Central) (Lab): It is a pleasure to serve under your chairmanship, Sir Edward. I completely endorse everything my right hon. and hon. Friends have said, and I congratulate my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) on securing this debate.

Sam Cook, my constituent, was murdered in Liverpool city centre just over a year ago on the night of his 21st birthday celebration. He was in a bar, somebody shoved his girlfriend, he stepped in to intervene and was stabbed. He died, despite desperate attempts to save his life. Sam's dad, Alan, spoke to me recently about his son. He said that he received that knock on the door that no one ever wants to receive. I left a message for him before the debate and said that I would be thinking of him throughout it. He wants to pay tribute to his son in the best way he feels able to—by succeeding in his campaign to reduce the number of knives on our streets. Let me set out what he said about Sam:

"He would come in and make everyone laugh. He was a joker and he always had a smile on his face. He was a decent kid too. All his friends went to Sam if ever there was an issue. He was sensible in the head."

That was the glowing tribute paid to this young man by his dad, but however decent he was, he was still a victim of appalling knife crime.

We have heard already from my right hon. and hon. Friends the figures for the increase in violent crime that we face across Merseyside. I have the figures for knife crime over the past year. There was a total of 914 crimes involving knives on Merseyside between April 2018 and January 2019. That is an increase of 217 such crimes—an increase of 31%—compared with in the same period in the previous year. There have been two fatal stabbings, within the figures, in the past two years. One of the victims was Sam Cook, whom I have mentioned.

What Alan Cook is calling for is no more knives. What he is calling for is the action that the Government could take to increase the opportunity, through legislation, to reduce the number of knives on our streets and to reduce the potential for what has happened to his family happening to anybody else. That is uppermost in the mind of Alan and his family. He says:

"I don't want any other family to go through what we have had to go through",

because it is the worst thing in the world. I am sure that we would all agree wholeheartedly with that.

The problem is that the increase in knife crime has corresponded with a reduction in the number of officers on our streets. As my right hon. and hon. Friends have reminded us, central Government funding has seen a real-terms reduction of 32%, and there has been an overall reduction of 21% in real terms, after account has been taken of precept increases. Since the 2010-11 financial year, the precept element of funding for Merseyside police has risen significantly, going up from 15% of the force's funding to 23% by next year. This is all because of the low council tax base that we have across most of the boroughs of Merseyside.

The force has made more than £110 million of savings. My hon. Friend the Member for Wallasey (Ms Eagle) made the point that it feels as though it is being penalised for doing so. Over the period to which I have referred, the consequence of the cuts in funding has been a



[Bill Esterson]

reduction in the workforce overall of 1,614. That is a fall of 22%, which is higher than the national figure of 18%. There has been a fall in the number of police officers of 1,120—a reduction of 24.4%, which is way above the 15% national average. That has been accompanied by a 46% fall in the number of PCSOs. That figure is also above the national average, which was 40% in that period. There are 215 fewer PCSOs.

Police staff numbers are also down. Not just the frontline but the very important support staff are affected; no one should ever be in any doubt about the importance of support staff and the work that they do. I spent a very interesting morning at the force control centre not long ago. I watched just how hard the staff in that centre, both uniformed and non-uniformed, work in trying to keep Merseyside safe.

We have had the biggest cuts. We have the lowest tax base. We have the biggest cuts in grant and the smallest potential to raise funds from council tax, as we have heard from my colleagues. But we still face one of the lowest increases in central Government funding, despite having the greatest need for resources because of the scale of the problems that we face. All this is not in isolation, because it goes alongside cuts elsewhere in the public sector. The cuts to the youth service have been especially severe—hundreds of millions of pounds across the country—and probation service funding is down 30% in the past three years.

I mention probation because the man who has now been convicted of murdering Sam Cook was on licence, having been convicted previously of being in possession of an offensive weapon. He was wandering round the streets of Blackpool waving a machete. He was given 16 months but was released after serving half that period and was then able to go and murder Sam Cook. The problem is that the public sector does not have the resources to prevent reoffending and to keep tabs on individuals such as the one who carried out that appalling crime.

We have a problem not only in direct services, but in council services more generally. The police service has to backfill for the National Health Service, especially in supporting people suffering from poor mental health, and there are other examples where officers carry out duties that are not part of mainstream policing. All these things add up to huge pressure on police time and contribute to making it much harder for the police to respond. In the case of Sam Cook, the issue was about prevention and making sure that they played their part in ensuring that he was kept safe. The increases in the number of knife crimes are all linked to the wider picture.

Like my hon. and right hon. Friends, I want to pay tribute to Merseyside police, whose officers do a very good job. Andy Cooke and Jane Kennedy work extremely hard at keeping our communities as safe as possible. We heard reference to Operation Castle, which has had a significant impact in reducing the level of burglary and recognises the damage that it does both physically and psychologically to its victims. We have also been told that unless additional resources are forthcoming, such an approach will become increasingly difficult to sustain,

just as it will become harder to reverse the increase in violent crime that we have heard about in the examples given by me and my right hon. and hon. Friends.

I looked at the *Hansard* from 4 February and the Minister's response to the urgent question from my hon. Friend the Member for Gedling (Vernon Coaker) on the proposed introduction of knife crime prevention orders. I said earlier that Alan Cook wants tougher laws introduced to help reduce knife crime, and I suppose knife crime prevention orders might be part of the answer. The Minister might remind us, as she did on 4 February, that the police want such orders introduced. I do not doubt that for one moment. However, if we see a continued decline in the number of police officers who can respond, and a reduction in the numbers of officers and their partners across the public sector because of continued pressure on public sector finances, who will carry out the knife crime prevention orders? Who will implement the new policy? Who will be there to police our streets and prevent knife crime and other violent crime from continuing to escalate?

I notice from the urgent question and the responses from the Minister that what is happening in Merseyside is repeated again and again right across the country. The same pattern is evident: a clear increase in the number of knives on our streets and in the number of attacks, as well as a fall in the amount of resources available. I want to be able to go away today and say to Alan Cook and his family and to Sam's friends that the Minister agreed that Alan's campaign for no more knives was the right campaign to support. Not only that, I want to say that she also said she would look seriously at giving an increase to Merseyside and other parts of the country where these things are a problem and where the resources that are needed are not there. We have those additional pressures, and my right hon. and hon. Friends have shown that the increase does not leave us at anything more than a standstill. I want the Minister to look very seriously at how our police are funded so that we can keep our communities safe and prevent any more Sam Cooks from happening.

3.36 pm

**Louise Haigh** (Sheffield, Heeley) (Lab): It is a pleasure to serve under your chairmanship, Sir Edward. This has been a fantastic debate with some wonderful advocates from the Merseyside force area. We have had a true overview of the issues facing Merseyside police and its funding. I do not know whether we can call it a debate when everyone has agreed so wholeheartedly with each other, and it will not surprise the Minister that I am about to agree wholeheartedly with the points my right hon. and hon. Friends have made.

I congratulate my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) on securing this vital debate. He passionately laid out the case that Merseyside has suffered significantly from being one of the forces worst hit by funding cuts, resulting in the loss of almost half of Merseyside's PCSOs and more than 1,100 officers. As a result of its low council tax base and the increased cuts to the Home Office central grant caused by the political failure to review the police funding formula, it is continuing to receive a deeply unfair funding settlement.

The cuts have consequences, as we have heard. My hon. Friend the Member for Liverpool, West Derby mentioned the increase in firearms offences, as well as

off-road bikes and related offences. He also mentioned the number of people dying through cuts to the number of road safety officers and the consequential impact on the welfare of our police officers and staff.

My hon. Friend the Member for Garston and Halewood (Maria Eagle) spoke about the 21% real-terms reduction, even including the allowed precept rise. She was absolutely right to say that an absolutely deplorable trait of this Government is to pretend that somehow they are being generous in allowing our hard-pressed ratepayers to pay more in council tax. The chair of the UK Statistics Authority agreed with her when he wrote to the Prime Minister and the Home Secretary last year to insist that they stop making such claims, because the claims were “misleading the public”.

My hon. Friend spoke about the consequences for neighbourhood policing and investigations, the huge demand caused by new crimes, such as cyber-crime, and the increase in traditional demand caused by things such as knife crime, which is plaguing so many of our communities. She mentioned the consequential impacts on faith in the police, and the Home Affairs Committee has found that, too. The very legitimacy of our police is at stake. The situation is undeniably leading to a lack of confidence in reporting to the police, as my hon. Friend the Member for Wallasey (Ms Eagle) mentioned, and confidence that they will be able to act at all on those reports.

My right hon. Friend the Member for Knowsley (Mr Howarth) spoke about the consequences that sadly resulted in a police officer being stabbed in his constituency. The safety of our officers and staff is increasingly being put at risk. More people are single-crewed when responding to crime. Guns are increasingly available and knife crime is increasingly normalised, particularly for young people on our streets. My hon. Friend the Member for Sefton Central (Bill Esterson) spoke about the tragic murder of Sam Cook on his 21st birthday. It is hard to escape the conclusion that that was not at least in part down to cuts to policing and prevention and the massive failure in the privatisation of our probation service.

As we have heard, nine years of brutal cuts to our police service have led to stark consequences on the streets of Merseyside. The precept increase will raise just £8.4 million, in comparison with Surrey, which has a smaller population and substantially less violent crime, where the police force will be able to raise £3.5 million more. As has been said, almost all additional funding from central Government will be spent on covering the cost of pension increases that have been passed to Merseyside police by a changed Government policy. That is completely and utterly unacceptable.

From 594 incidents of knife crime in 2010 to more than 11,000 today, Merseyside police have suffered one of the highest rises in violent crime of any force in the country. It has one of the highest rates of gun crime per head, and it is little wonder that its chief constable, Andy Cooke, stated:

“So have I got sufficient resources to fight gun crime? No, I haven't. I will put all of the resources I have available to it and we will continue to see some excellent convictions...but if I had more staff would I put them to deal with gun crime? Yes I would.”

At the heart of the inequity in the Government's approach to funding our police, particularly in Merseyside, is the fact that it is based on the ability of an area to pay—it is based on the number of large houses that that

police force happens to have in its area. When we consider the picture for police forces nationwide, that is not only unfair but reckless. The greatest challenges facing our police forces are the surge in violent crime, child sexual exploitation, risks from terrorism, county lines and cyber-crime. Those challenges do not present an even picture across the country because crime rates are higher in metropolitan areas such as Merseyside. It is therefore completely perverse that forces such as Merseyside police, which have suffered the greatest cuts, should receive least from the funding settlement.

Last month the Government should have presented a funding settlement that meets need and demand, but instead of using any of the investment provided by the Home Office to help meet the operational demands caused by missing persons, child sexual exploitation and serious crime, every penny of central Government funding will be sunk into pension costs that the Government have imposed on forces. That is perverse and will create a postcode lottery in policing, meaning that those communities that cannot afford to pay will see policing get worse and worse.

As has been said, Merseyside is an excellent police force with exceptional officers from the chief constable, Andy Cooke, to the frontline and the hardworking police community support officers and staff. The force has fantastic advocates in its parliamentary representatives and its police and crime commissioner, Jane Kennedy, who consistently make the case for a fairer funding settlement. It seems, however, that with this Government in office Merseyside police will never get the funding that it needs or deserves.

3.42 pm

**The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins):** It is a pleasure to serve under your chairmanship, Sir Edward. I congratulate the hon. Member for Liverpool, West Derby (Stephen Twigg) on securing this important debate, and I thank all right hon. and hon. Members for contributing.

Before we get to the rough and tumble of political debate, I wish to reflect on the cases that colleagues have raised of deaths in their constituencies. The hon. Gentleman spoke about Bobby, which is a terribly sad case, and our thoughts are with his parents and his family. The right hon. Member for Knowsley (Mr Howarth) spoke about Police Constable Dave Phillips, and again our thoughts are with his family. Any murder is a terrible event, but to my mind, the killing of a police officer goes to the heart of our society and values, and we are reminded that police officers are on the frontline every day.

We heard movingly from the hon. Member for Sefton Central (Bill Esterson) about Sam Cook—about the terrible loss of that young man's life on his birthday, and his father's extraordinary strength in setting up a charity to help other families and ensure that they do not suffer as his has. If it would meet with his approval, I would be delighted to meet Mr Cook and learn more about the work that he does in his local area.

I am extremely grateful to colleagues for the way they have conducted this debate. One point on which we can all agree is our wish to thank officers and police staff who work to protect people and communities in Merseyside. I pay tribute to them and thank them for their work,

[Victoria Atkins]

just as I thank colleagues across the country for the work they do day in, day out to keep us safe and fight crime.

I am struck that many colleagues raised the welfare of officers. The Policing Minister cares deeply about that, as do I, not least because particular types of crime, such as child sexual exploitation, can be incredibly trying for any human being to work on. I am always keen to ensure, as are the Policing Minister and the Home Secretary, that our officers are looked after in the course of doing their jobs, which are often very stressful. Hon. Members may be interested to know that the national police welfare service run by the College of Policing will commence in April, which I hope will bolster and consolidate all the efforts that happen at the local level. We want to spread good practice nationally as well.

I must mention my hon. Friend the Member for Southport (Damien Moore), who is on an armed forces visit at the moment but who spoke to me last week, ahead of the debate, to emphasise his thanks and to pay tribute to his local police officers and staff. I am sure that he would want that to be reflected.

The first role of Government is of course to protect citizens. The Government are determined to ensure that the police have the powers and resources they need to keep our citizens and communities safe. We absolutely recognise that there are major pressures on the police, including in Merseyside. There has been a major increase in the reporting of high-harm crimes such as child sexual exploitation and modern slavery, many of which were previously hidden behind closed doors. We absolutely acknowledge that violent crime in Merseyside has sadly risen recently. I hope in a moment to go into a little more detail on the national strategies to fight serious organised crime and serious violence, what we are trying to achieve at the national level, and the impact that I hope that will have at the local level.

The title of the debate requires me to talk about funding. I know that there is not agreement across the House on the approach to funding. I feel obliged to remind people, as I do on such occasions, that these tough decisions were taken in 2010 and thereafter because of the financial situation that the country found itself in. They have been very tough decisions, but as of 2015, at the insistence of the then Home Secretary, who is now the Prime Minister, we have been in a position to protect police funding.

**Maria Eagle:** Will the Minister explain why this settlement gives Merseyside police the lowest increase apart from Cleveland? If she is aware of Merseyside's difficulties, why do we have the lowest increase of any force?

**Victoria Atkins:** There is a great debate in my home constabulary of Lincolnshire at the moment, which, although very rural, has its crime demands and faces similar pressures. The problem, as we have discussed before and as the Policing Minister has gone through in detail, is that the funding formula needs reform.

**Louise Haigh:** Do it then.

**Victoria Atkins:** The hon. Lady says, "Do it then." We tried to do it in 2017 and sadly were not able to achieve that. We have tried since the general election to consolidate the formula as it is at the moment. The

Policing Minister has spoken to every single chief constable and police and crime commissioner about the needs in their local area, to try to make the existing formula work and to reflect the rising demand. We are conscious that the demands on the police are changing, which is why the Home Secretary has made dealing with police funding a priority in the next comprehensive spending review.

**Stephen Twigg:** Progress on the formula would be very welcome, particularly to meet the point that several hon. Members raised about areas with high deprivation. Can the Minister respond to my specific point about the fact that the additional funds this year essentially cover the pension shortfall? What prospects are there that that money, at least, will be available again in future years?

**Victoria Atkins:** We have been conscious of the impact that the rule changes would have on constabularies. That was discussed in 2016, I think, and there was an expectation that forces would be able to go some way to ameliorating the increase. Following the conversations that the Policing Minister had with chief constables, we have secured more money from the Treasury to try to cover the majority of that pension increase. I accept that a proportion still falls on local forces, but we have managed to secure some assistance towards the overall cost.

I will ask the Policing Minister to write to the hon. Gentleman about next year. We are working towards the comprehensive spending review and I imagine that the message from this debate and others will be heard loud and clear by the Policing Minister and, importantly, by the Treasury.

I return to the fact that we have tried to increase police funding; last year, we increased it by up to £460 million. Contrary to allegations from Opposition Members, I have always been clear that it has been with the help of police and crime commissioners that we have helped, as a society, to inject that further money into policing.

Similarly, this year, we are injecting up to £970 million more, again with the help of police and crime commissioners. That is why I am pleased that the police and crime commissioner for Merseyside has conducted her consultation, won the support of more than 74% of respondents for her proposals, and can raise council tax by £2 per month on band D households.

**Ms Angela Eagle:** Will the Minister recognise, on the record, that by doing things in that way and by bringing local taxpayers into the formula, she is saying to my constituents and the constituents of all hon. Members on this side of the Chamber that people in the poorest areas, who are least able to cope with tax increases, have to pay them because they happen to live in an area with greater demands on policing? Why is that not the national Government's duty? Why should our constituents have that unfair burden put on them?

**Victoria Atkins:** That is where the hon. Lady and I part in our political philosophy. There is no such thing as Government money; it is taxpayers' money, collected centrally, that is paid to police constabularies. None the less, we have been careful to protect and increase Government grants where we can.



**Ms Angela Eagle:** I am sure we could have many a philosophical discussion about what taxpayers' money is, but that would be for another time. Even with that difference of view, will the Minister not admit that using the council tax system puts a greater burden on the people who are least able to pay, because of the regressive way that council tax is worked out? We have many constituents in band E properties who are, by definition, asset poorer and generally poorer than those in higher council tax bands, but she is suggesting that there should be a redistribution from people in better-off areas to those in poorer areas, who will be forced to pay more. How is that fair?

**Victoria Atkins:** There is still funding from central Government. We are concentrating on the direct funding formula for the force, but there are other ways in which police forces receive money to target particular needs in their communities. For example, with the issue of serious organised crime, which has been raised today, I am delighted that Andy Cooke, the chief constable, is in fact the National Police Chiefs' Council lead on serious organised crime. He brings his expertise to that role.

Through the funding settlement, there is a national grant of £90 million to tackle serious and organised crime. Regarding the local area, I think the hon. Member for Garston and Halewood (Maria Eagle) said that there was not a penny being put towards serious organised crime—I hope she will forgive me if I have misquoted her, but it was something along those lines. We are funding a serious organised crime community co-ordinator in Merseyside and Cheshire, as one of five pilot areas with a specific focus, and through this pilot programme we are looking to increase significantly our focus on diverting people away from serious organised crime and on building resilience.

In addition, the North West regional organised crime unit is providing specialist serious organised crime policing capabilities and advice to its six host forces, which include Merseyside. We want very much to help local PCC funding across those forces by supplementing their funding through core grant funding, as we did last year. The hon. Member for Garston and Halewood specifically raised the point about cyber-crime. The North West ROCU has been allocated £434,000 of specific funding for cyber protect and prevent officers, and an international standards officer, so there is funding from sources other than the grant.

**Maria Eagle:** I did actually say that as a consequence of the meetings—the repeated meetings—that we have had with Ministers, and despite having been given many promises, not a penny-piece extra has been forthcoming. Merseyside police is an acknowledged expert at dealing with guns and gangs. It does not need “advice”; it needs money in order to do things. It is good that the chief constable is the lead, but that does not give him an extra penny-piece to deal with the issues.

**Victoria Atkins:** I am conscious, Sir Edward, that the hon. Member for Liverpool, West Derby will want to respond, so forgive me if I race through.

On serious violence, a great deal is being done at a national level. I am grateful to the hon. Member for Wallasey (Ms Eagle), who specifically mentioned the rise of county lines. She will know—having, I am sure, read our serious violence strategy—that we are very conscious of the impact of drugs as a driver of serious violence, which is why we are doing so much on early intervention, including providing a £200 million youth endowment fund for the next 10 years.

The right hon. Member for Knowsley mentioned antisocial behaviour. Powers are available to councils as well as to the police, because we are conscious that the police are not always the right people to deal with antisocial behaviour. I encourage him to look at the Anti-social Behaviour, Crime and Policing Act 2014; I am obviously happy to discuss it with him.

I will now sit down to give the hon. Member for Liverpool, West Derby two minutes to respond. I thank everyone for their contributions.

3.58 pm

**Stephen Twigg:** I thank the Minister for her response, and I thank my hon. Friend the shadow Minister and hon. Friends from across Merseyside for their contributions to what has been a comprehensive debate on this important matter.

This morning, I was on BBC Radio Merseyside, ahead of this debate. The presenter said, “There have been loads of these debates and all the issues get aired, but nothing ever changes.” One of the frustrations of being in Opposition is that, sadly, that is often how it feels.

I appeal to the Minister and to the Policing Minister, who cannot be with us today: I think that my hon. Friends and I have made the case that there needs to be an increase in spending on the police nationally and that the distributional impact of the system fails areas such as Merseyside. The very small amounts of money that the Minister just referred to for co-ordinators and particular programmes are a drop in the ocean compared with the scale of the reduction that we have seen.

We need a fair funding formula in the future that recognises that in areas with a low council tax base, it is simply unjust and wrong to shift the burden on to hard-pressed local taxpayers in the way the Government have done. Nationally, we need policing to be given a higher priority in the spending review. I think that a powerful message from today's debate is that in a context of rising crime, especially given what we have heard regarding the horrors of the impact of gun and knife crime on our communities, Merseyside needs a fair funding formula, but we also need a spending review that gives due priority to fighting crime and policing our communities.

*Question put and agreed to.*

*Resolved,*

That this House has considered the funding of Merseyside Police.

## Foreign National Offenders: Prison Transfers

4 pm

**Mr Philip Hollobone** (Kettering) (Con): I beg to move,

That this House has considered prison transfers of foreign national offenders.

It is a joy to see you in the Chair, Sir Edward. I thank Mr Speaker for granting me this debate, and I welcome the Minister and his team to the Chamber.

Believe it or not, we have something like 160 nations of the world represented in our prisons. About one third of those individuals have been convicted of violent and/or sexual offences, about one fifth have been convicted on drug charges, and others have been responsible for burglary, fraud, robbery and other serious crimes.

[IAN AUSTIN *in the Chair*]

Some years ago, the National Audit Office did an estimate of the cost to the British taxpayer of incarcerating those people in our jails, and came out with a cost per year per prisoner of something like £33,000. When we add to that the cost of the police, the Crown Prosecution Service, legal aid and other things, the total bill could be something between £750 million and £1 billion a year. The National Audit Office came down somewhere in the middle of that range, and estimated the annual cost to the taxpayer to be about £850 million a year. That assumes that there are about 10,000 foreign national offenders in our jails.

I first ask the Minister, given that he is attended by a galaxy of civil service talent, who no doubt have the numbers at their fingertips, what is the present prison population today? Of the total number of prisoners, how many foreign national offenders do we have in our prisons today? I reckon the present prison population is something like 85,000, and that there are about 10,000 foreign national offenders in our prisons. Of those 10,000, what proportion come from the European Union—I think the figure is about 4,000—and how many come from non-EU countries?

Can the Minister confirm these estimates of what I call the list of shame—the top 10 countries that are represented in our prisons? I reckon that No. 1 is Poland with about 950. No. 2 is Ireland with 750. No. 3 is Romania with 630. No. 4 is Jamaica with 550. In joint fifth, sixth and seventh place are Albania, Lithuania and Pakistan with about 475 each. No. 8 is India with 450. No. 9 is Somalia with 425. No. 10 is Nigeria with 400. In total, I reckon that the top 10 nations in our prisons total something like 5,580 foreign national offenders. My contention is that those people should not be incarcerated at Her Majesty's pleasure; they should be in prison in their own countries at the expense of their own taxpayers. Her Majesty's Government are not doing nearly enough to send those people back to prisons in their own countries.

**John Howell** (Henley) (Con): I thank my hon. Friend for giving way very graciously. I hope he will be pleased to know that in my constituency we have a prison at Huntercombe that exists to house foreign national prisoners in the process of transferring them back to their own

countries. That has gone down terribly well with the locals, who wanted to see those prisoners transferred back. They can go to say goodbye to them, waving as the coach takes them back to the airport. It is close to Heathrow airport, so the transfer can be made easily.

**Mr Hollobone:** I thank my hon. Friend for that intervention. I will give way to him again if he knows—I do not expect him to, but if he does—the number of prisoners at HMP Huntercombe. The nation needs to know. Perhaps the Minister will advise us in his response how many prisoners are held there pending deportation. I am pleased for my hon. Friend the Member for Henley (John Howell) that he has such a facility in his constituency, and that it is popular with his constituents, but my contention is that the prison is not large enough. We need to send a lot more of these people back, and quickly.

**John Howell:** The operational capacity of the prison is about 1,300.

**Mr Hollobone:** That is about 13% of our foreign national offender population at any one time, so we need at least nine more Huntercombes if we are to deport these people back to the countries from which they came.

No doubt the Minister will tell the House today that since 2010 some 45,000 foreign national offenders have been removed from the UK, including 6,000 in the past year. My first reaction to those numbers is, “My gosh! Given the extent to which foreign nationals commit crimes in this country, thank goodness they are being caught; the number who commit offences but are not caught must be even larger.” We have a real problem on our hands, with such a large number of foreign nationals committing crimes in this country.

No doubt the Minister will tell the House that prisoners are transferred in four main ways. The Government maintain that the main method to remove foreign national offenders from prison is what is called the early removal scheme. Will the Minister give us more detail on what that scheme entails? I hope that it does not mean that prisoners' sentences are cut short and they are just deported to be at liberty back in their countries of origin, because that is not the point that I am making. These people should be sent back to their own countries and kept in prison there, until their sentences have been completed. Last year, I understand that some 2,000 were removed under that scheme.

No doubt the Minister will then tell us that prisoner transfer agreements are in place, falling into three main categories, the first of which is the EU prisoner transfer framework decision, which EU member states signed up to between December 2011 and December 2015. There are 27 EU member states to which we can send prisoners and which can send UK prisoners back to us. Amazingly, since the scheme first went live in December 2011, two EU nations have still not ratified their membership of that framework decision: Bulgaria and Ireland. I suggest that Ireland spends less time trying to cause problems for this country with the Irish backstop and more time on ratifying the prisoner transfer directive, which is now eight years old.

Under the EU prisoner transfer framework decision, since it has been inaugurated, we have only sent back 357 EU national offenders, out of an EU prison population that is in the order of some 4,000, as I am sure the Minister will tell us. The top three are the Netherlands, to which we sent back 141, or 39% of the total; Romania, 56, or 16%; and Poland, 35. I point out to the Minister that we have sent 56 Romanian nationals back to prison in Romania, but at any one time we have about 630 Romanians in our prisons; and we have only sent back 35 Polish nationals, but at any one time we have about 950 in our prisons. Furthermore, of the 27 signatories, to 10 we have sent no prisoners back at all.

Of course, this is a two-way process, and we are entitled to receive UK nationals who committed offences abroad back into this country. We have taken back a total of 100. The largest number—40—came from Spain, nine have been returned from Germany, and nine from Italy. It seems to me that the scheme, despite having been in operation for eight years, is not working very well.

However, it is working better than the additional protocol to the prisoner transfer framework decision, to which 13 other countries are signed up: Georgia, Iceland, Liechtenstein, Macedonia, Moldova, Montenegro, Norway, Russia, Serbia, San Marino, Switzerland, Turkey and Ukraine. It was confirmed to me yesterday in a written parliamentary answer that we have transferred to the countries adhering to the additional protocol the grand total of zero foreign national prisoners. We have sent no foreign national offenders at all back under the additional protocol. It is absolutely and completely useless.

The third category we have is bilateral prisoner transfer agreements. The same parliamentary answer listed six countries, out of the 160 nations represented in our jails, with which we have compulsory prisoner transfer agreements. In other words, we can send foreign national offenders back to those countries without their permission—it is compulsory for them to go back. Those six countries are Albania, Ghana, Libya, Nigeria, Rwanda and Somaliland. The Ministry of Justice helpfully listed the dates on which those six prisoner transfer agreements came into force. The oldest goes back to 2009, and the latest came into force in 2017. For one country—Somaliland—the Department has no information about when the agreement came into force. The answer states, “Not Available”. Can the Minister confirm whether we have a compulsory prisoner transfer agreement with Somaliland?

We have sent back a grand total of 25 foreign national offenders to those six countries, one of which is Nigeria. We have something like 400 Nigerians in our prisons at any one time. We have sent back one Nigerian under the compulsory prisoner transfer agreement. That simply is not good enough. I suggest that the Minister takes the lead on negotiating effective compulsory prisoner transfer agreements with countries for which we hold a large number of foreign national offenders in our jails.

Let me give two examples. Pakistan is seventh on my original list—in fact, it is joint fifth, sixth and seventh with Albania and Lithuania. There are something like 475 Pakistanis in our jails at any one time. Nigeria is tenth, with 400. We should use our foreign aid budget to build prisons in those countries so we have a place to send those people back to. Pakistan and Nigeria are among the five biggest recipients of UK aid in the

world. We give something like £400 million a year to Pakistan and £330 million a year to Nigeria in international aid. It seems to me that if we have, by law, to spend that money on international aid—I do not agree with that, but it is the law of the land—we should use it sensibly, by trying to reduce the £1 billion annual cost of incarcerating foreign national offenders in our prisons.

I understand that the Government are seeking to build an additional wing on a Nigerian prison, at the cost of some £700,000. Is that correct? Has that wing been completed and is it operational? Given that we have sent back only one Nigerian, presumably he is living in luxury in that 112-bed facility somewhere in Nigeria. Do we have plans for any more?

Do we have any plans to build prisons in Pakistan? There are almost 500 Pakistanis in our jails, and they should be held in prison in Pakistan at the cost of taxpayers there, rather than taxpayers here. Will the Minister negotiate more compulsory prisoner transfer agreements? Will he make sure that they are effective and that we send back more than the 25 prisoners who we have sent back under the agreements so far? Will he speak to the Department for International Development to use aid money to build modern prisons in those countries so we can return more foreign nationals?

I will allow the Minister some time to reply, so finally, once we have sent those people back, will the Minister liaise with the Home Office to make sure that they cannot return to this country? It is one thing to send them back to prison in their own country, but we should ban them from ever returning and darkening our shores again. Surely that would be fairly straightforward for the Government to do and my constituents would certainly welcome it.

**John Howell:** On a point of order, Mr Austin. May I correct the record? I said that the capacity of Huntercombe was 1,300; it is actually 480. I read the wrong figure.

**Ian Austin (in the Chair):** Thank you.

4.16 pm

**The Parliamentary Under-Secretary of State for Justice (Edward Argar):** It is a pleasure to serve under your chairmanship, Mr Austin. I thank my hon. Friend the Member for Kettering (Mr Hollobone) for securing the debate. He has raised the issue tenaciously on previous occasions, most recently at Justice questions earlier this month. He and his constituents attach great importance to it and, as always, he acts as a powerful and strong voice in Parliament for the people of Kettering.

As always, the debate raises a matter of huge importance and is an opportunity to update the House more fully than would be possible in a single parliamentary answer. Rightly, increasing the removal of foreign national offenders is one of the Government's top priorities. All foreign national offenders sentenced to custody are referred by the Prison Service to immigration enforcement as quickly as possible to be considered for deportation action.

As all hon. Members present are aware, the Government are absolutely committed to increasing the number of foreign national offenders removed from our prisons. Any foreign national who comes to our country and



[Edward Argar]

abuses its hospitality by breaking our laws should be in no doubt about our determination to punish and remove them.

My hon. Friend raised several statistical questions. He rightly alluded to the fact that since 2010 we have removed more than 45,000 foreign offenders from prisons, immigration removal centres and the community. In 2017-18, as he stated, we removed almost 6,000 foreign national offenders, of whom 2,000 came directly from our prisons. That represents good progress, but the Government are determined to do more.

My hon. Friend asked some specific questions. The current overall prison population is 82,236, which is a little shy of what he thought but in the same ballpark. The latest statistics that I have are that foreign national offenders make up 9,090 of that—roughly 10% or 11%—and EU foreign national offenders make up 3,943 of those.

My hon. Friend touched on his top 10. His fabled statistical brilliance has slightly changed, because our order and numbers are different, but if it is helpful, I will briefly run through them. The latest list puts Poland in first place, with the highest number, then Albania, Romania, Ireland, Jamaica, Lithuania, Pakistan, Somalia, India and Portugal. In terms of the stats that sit behind each of those, if I do not manage to answer every question he has raised today, I am happy to write to him.

As he is aware, the primary responsibility for the removal of foreign national offenders rests with the Home Office immigration enforcement team, with my Department supporting its work by setting the policy for, and administering, early removal schemes from our prisons. Prisoner transfers are a matter for my Department and fall within the portfolio of the Minister of State, Ministry of Justice, my hon. Friend the Member for Penrith and The Border (Rory Stewart). I will certainly pass on to him the comments made by my hon. Friend the Member for Kettering about negotiating further such agreements and the form of those agreements.

Before I turn to the specific issue of prison transfer agreements, I want to highlight the substantial cross-Government work under way to increase foreign national offender removals. A lead Minister's group that meets quarterly is in place. It focuses on the removal of foreign national offenders and brings together key Departments to ensure a co-ordinated approach. We continue to work hard to improve and speed up every part of the removals process, right from the point at which a foreign national offender first comes into contact with criminal justice agencies up to their removal back to their home country.

For example, as my hon. Friend will be aware, the Government introduced new requirements through the Policing and Crime Act 2017 so that anyone appearing in court now has to state their nationality. It is designed to speed up early identification of foreign national offenders and therefore assist with speedier removal. In other initiatives, my Department is working with the Home Office on ways to speed up the immigration appeal process for foreign offenders held in prison, and to ensure that appeals are determined as quickly and as efficiently as possible so that foreign offenders with no right to remain here may be removed quickly.

We are also working to concentrate foreign national offenders within fewer prisons in our estate. As has been mentioned, we have already created two foreign national offender-only prisons, one of the first countries in the world to have done so, with the benefit of concentrating foreign national offenders and allowing the Prison Service better to address the specific needs of that cohort of offenders. Importantly, it also allows the Home Office better to deploy its immigration enforcement teams, which need access to the prisoners to undertake the deportation process.

As my hon. Friend highlighted in his speech, there are different routes by which foreign national offenders can be removed from this country. The first that he touched on is the early removals scheme, which is our principal mechanism for removing foreign national offenders from prison. Under the scheme, offenders are returned to their home countries and are barred from returning to the UK, potentially for life. In 2017-18 we removed more than 2,000 prisoners through the scheme; that is about 95% of early removals from prison. I am keen that we should not lose sight of our success in removing such a large number of foreign offenders.

**Mr Hollobone:** I am listening closely to the Minister. Can he clarify whether the 2,000 a year who are returned under the early removals scheme are then at liberty in their country of origin, or are they behind bars?

**Edward Argar:** My hon. Friend is clearly clairvoyant, because my next note addresses exactly that point. Under the transfer agreements, the mechanism allows us to transfer a sentenced prisoner during their prison sentence so that they will continue to serve that sentence in a prison back in their home country. Importantly, the agreements are reciprocal and allow the return home of British nationals from overseas prisons. We have more than 100 transfer agreements—he mentioned 160, which is roughly in the right space overall—with countries and territories around the world. Depending on the type of agreement that is in place, prisoners can be transferred either on a voluntary basis, meaning the consent of the prisoner is required, or on a compulsory basis, meaning their consent is not required. To address a point that my hon. Friend specifically raised, under either type of agreement, including the compulsory one, the receiving country still has the right to accept or refuse the prisoner; the country receiving them still has to agree to accept them even if the prisoner does not have a say in that process.

To focus briefly on the EU prisoner transfer agreement, that is the most effective transfer agreement to which the UK is a signatory, largely because, going back to my previous point, there are limited grounds on which a receiving member state can refuse to accept a prisoner transfer request. Our departure from the EU will therefore have an impact. As the prisons Minister said earlier this month, if we leave the EU without a deal there is the risk of a decline in the number of transfers to and from the EU, because we might be forced to fall back on older transfer mechanisms that could prove less effective.

**Mr Hollobone:** The Minister says that under the EU prisoner transfer agreement there are limited grounds for a country to refuse to take their prisoner back. There are 950 Polish nationals in our jails, and Poland has taken back only 35. Is the Minister telling us that

Poland regularly has 915 good reasons not to take prisoners back? It seems that this agreement is not as effective as the Minister makes out.

**Edward Argar:** I will make two points. The first is a statistical point because latest figures show that there are 787 Polish prisoners, although my hon. Friend's point about the number and scale still stands. I was about to come to the other legal and procedural reasons for why transfers can take a long time in this country. In that context, I wish to touch on the suggestion made previously that the prisoner transfer agreements are in some sense not working, and that our prisons are full of prisoners who could be transferred. As my hon. Friend is aware, many of our transfer agreements are necessarily voluntary, not just for the country receiving them but for the prisoners themselves. That is due to the poor standard of prison conditions and the treatment of prisoners in some parts of the world, and our obligations under those agreements as well as our human rights obligations.

For our compulsory agreements, we target transfer at those offenders who are serving lengthy prison sentences. Transfer can take place only if all appeal routes have been exhausted, a deportation order is in place, and there are no legal concerns about the prison system to which the prisoner will be moved. Consequently, when all those factors and process points have been taken into consideration, the number of prisoners who are eligible for a swift transfer might not be as high as my hon. Friend might wish, and in some cases the process could take longer than the prison sentence being served.

We are, however, working to increase the number of transfers wherever possible, and our current agreement with the EU has enabled the transfer of 357 prisoners to EU prisons, with each transfer freeing up several years of cell space. Transfer numbers continue steadily to rise

now that most member states have implemented that agreement and operational processes are bedding in. Such transfers therefore play a role in managing our prison population and ensuring that capacity is available for offenders who have been sentenced to custody.

I will also highlight a number of successes for our transfer agreements with countries outside the EU. In late December we signed an agreement with the Government of Pakistan to restart the voluntary prisoner transfer process between our countries. Given that Pakistani prisoners are one of the top 10 nationalities held in our prisons, that progress is welcome and I thank all Departments who worked on that issue for their support. We also have a prisoner transfer agreement with Albania, which is another of the 10 most common nationalities in our prisons. A transfer agreement has seen 24 Albanian prisoners transferred, and there is ongoing engagement with Albanian authorities to improve that mechanism and speed up and increase transfer rates. The prisons Minister met the Albanian Justice Minister earlier this month to discuss co-operation on that issue, and an agreement was reached to continue with close co-operation.

I am conscious that only a short amount of time is left, so I shall conclude by saying that whether removal is through the early removal scheme, prisoner transfer, or deportation after an offender has completed their sentence, the key point is that we continue to work to remove those who have broken our laws and have no right to be here. I suspect my hon. Friend will continue to champion and push hard on this issue—indeed, I suspect we may well debate it again in the coming weeks and months—but he should be in no doubt that that the Government are committed to that agenda, and to increasing the number of foreign national offenders who are removed from this country.

*Question put and agreed to.*

## Transport for Towns

4.30 pm

**Caroline Flint** (Don Valley) (Lab): I beg to move,  
That this House has considered transport for towns.

I appreciate the opportunity to serve under your chairmanship, Mr Austin. The presence here of so many of my hon. Friends and other parliamentary colleagues shows the strength of feeling on the towns that we represent and on the importance of transport to our communities and their survival. There is no successful town that cannot move people around it efficiently, moving workers from homes to places of work at all hours, visitors to hospitals, patients to GPs, students to schools and colleges and even people on trips to the pub, cinema or leisure centre.

I represent a constituency of just over 100,000 people living in more than 30 towns and villages. Apart from one suburb, all those communities are detached from Doncaster town centre, many with open countryside in between. Undertaking my monthly surgeries across seven wards involves a 62-mile round trip. Reliance on cars is essential for many in those outlying communities, as public transport has failed them. Effective transport is central to revitalising our post-industrial towns and giving new life to our smaller town communities.

We often hear about connectivity, but that is all too often about links—massive infrastructure projects costing many billions of pounds—to major cities such as Leeds, Sheffield and Manchester in the north. No matter how right those projects are for our regions and for the country, they jar with people frustrated by the everyday transport problems that they face.

This is not new. When Tony Benn was MP for Bristol South East, he received a letter from a constituent that read:

“Dear Tony, I see the Russians have put a space vehicle on the moon. Is there any chance of a better bus service in Bristol?”

I want those voices to be heard. Like many of my colleagues here, I have fought against post office and bank closures. I have been exasperated by the last-call attitude to providing mobile phone and broadband coverage to our homes and businesses in towns. I struggle to understand why new housing developments are built without broadband.

The reality of transport for Britain’s smaller towns is very different from our cities. Our communities are often the places travelled past, not to; communities that no longer have rail services, or a bus service on certain days of the week or in the evenings. Last year, Joseph Rowntree Foundation research found that unaffordable and unreliable public transport cuts off the poorest families in the north of England from crucial job opportunities, making it harder for them to attend job interviews or to hold on to paid employment. Poor transport entrenches poverty.

**Mike Hill** (Hartlepool) (Lab): My right hon. Friend is making an important speech. A lot of people in rural villages around Hartlepool, such as Elwick, are getting older. Does she agree that improvements to bus services, which can be vital links, are important not only to keeping those communities going but, from a social and welfare perspective, to keeping those older people connected to the towns that serve them?

**Caroline Flint:** I absolutely agree. I actually speak from personal experience, second hand though it may be, because my husband, Phil, lived in Stockton and travelled to Hartlepool every day to go to secondary school. In many respects, the service was probably better then than today for many of our schoolkids.

**Matt Western** (Warwick and Leamington) (Lab): My right hon. Friend is making an important speech. In accessing further education, schools, and also employment to help to pay for that education, young people in villages such as Barford and Bishop’s Tachbrook in my constituency are being alienated.

**Caroline Flint:** That is an important point about young people. I will talk later about the fatalities in my constituency of young drivers, who are often forced into getting a car as it is the only means of getting around. These young people are not drinking or anything else but are just inexperienced drivers on our country and rural roads. That is a big problem.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): My right hon. Friend and I have been good friends for many years, and I think we share the desire for a really good rail link across the northern regions and the northern midlands. That is absolutely essential. We now know that HS2 will cost £100 billion. Does she agree that it would be better if we invested that money in good local transport across the north of England?

**Caroline Flint:** My hon. Friend is right to point out the rising cost of those major infrastructure projects. Many people around the country find it hard to believe how much money is spent on HS2 and other projects—in some cases misspent if the projects are not kept on budget—when they find it hard to find a few thousand pounds for something that could make a big difference locally.

**Helen Goodman** (Bishop Auckland) (Lab): I am most grateful to my right hon. Friend for securing this debate. I was talking to an old man in Spennymoor in my constituency who told me that when he was young he had taken a train from Spennymoor to Spain. Now there is not even a railway station, and it costs £10 to take a bus from Spennymoor to Barnard Castle. Does she agree that high bus fares make it impossible for most people to use public transport?

**Caroline Flint:** That is absolutely right. Although parts of our community get access to cheaper fares, for many people it is still a problem. The Joseph Rowntree Foundation study makes the point that, for many of our constituents who are sadly at the lowest end of the pay scale, once they factor in transport costs and the hassle of getting to work—particularly if they are on shift patterns—it is hardly worth while. I have always been a strong believer that work should pay.

**Gloria De Piero** (Ashfield) (Lab): I thank my right hon. Friend for securing this debate. Ashfield falls under the north-east of England traffic commissioner. The latest annual figures show that 712 bus services were cancelled in that area, compared with 178 in the south-east and metropolitan area. That pattern has been repeated every year for the last six years. Is it not true that we are paying twice as much for half as good a service in our towns? That has to change.



**Caroline Flint:** My hon. Friend is absolutely right: it has to change. At its heart, this is about understanding the price of everything but the value of nothing. Too often, it is the economical routes—if that is the right word to use—that the operator is attracted to. Meanwhile, the areas of the country that cannot compete with our cities—certainly not London and the south-east—do not get a look in because it does not pay. That has to change for the common good.

**James Frith (Bury North) (Lab):** I congratulate my right hon. Friend on securing this debate. She is making an important argument. In Greater Manchester, 8 million miles of bus services were lost between 2014 and 2017. All too often, bus companies cherry-pick the profitable routes and ignore others, which means that many people on the outskirts, such as in Affetside in my constituency, are left behind. Does she agree that social prescribing should include access to transport to avoid isolation and the knock-on impact that that has on the wider social health of our population?

**Caroline Flint:** I absolutely agree. As a former Public Health Minister, I have always thought that we should not be confined to the clinical aspect of public health. It is also about housing and transport. So much of this debate is about air pollution, and given that our buses could run on green fuel, I would have thought that that is a no-brainer as a way to get people on to more sustainable, greener and affordable transport systems, which benefit not only individual travellers but the wider community by reducing air pollution.

**Yvette Cooper (Normanton, Pontefract and Castleford) (Lab):** I congratulate my right hon. Friend on securing this debate about transport in our towns. Normanton in my constituency used to be at the heart of the national rail network. Now, we have only one train an hour into Leeds, even though it is only about a 20-minute drive away. We see that pattern across the country. Towns are losing their connections, and there is real resentment about the fact that such a high proportion of the investment and infrastructure is going into cities, while towns are getting an unfair deal. Does my right hon. Friend agree that the Government must change their pattern of investment across the country if towns are to get a fair deal in the future?

**Caroline Flint:** My right hon. Friend is right. It is unfair to blame people for not taking up some of the massive job opportunities that our cities offer when it does not make sense for them to do so. We must change not only the investment but the attitude to transport. It is not just about cities but our towns. My right hon. Friend is right that our communities are being not only left behind but bypassed. They are isolated and excluded by planners, operators and, I am afraid, policy makers, who see them as uneconomic.

**Ian C. Lucas (Wrexham) (Lab):** I was brought up in the Tyneside conurbation, and the passenger transport executive supplied an integrated bus system in the 1970s. My parents never had a car and travelled everywhere by bus and metro. We need a change of structure, so that our towns are brought into transport systems and we do not have a separate, privatised structure, which is at the heart of the problem that we now face.

**Caroline Flint:** My hon. Friend makes an interesting point. Sometimes we have to look again at the old ideas that worked and see where they fit in the world we live in today. I am a great believer in not reinventing the wheel. What we do not need is just another set of initiatives that get rebranded as one Transport Minister passes the job to another and that mean we do not make any progress. What matters is what works. But first, to get to what works, we have to understand what people and communities actually need and how that can be inclusive.

Last week, the Under-Secretary of State for Transport, the hon. Member for Harrogate and Knaresborough (Andrew Jones), said that the north of England's transport system had suffered

“long-term under-investment stretching back decades”.

He is right, but still today London receives £4,155 of transport spend per person. That is two and a half times the figure for the north and five times more than Yorkshire and the Humber and the north-east.

As co-chair of the northern powerhouse all-party parliamentary group, I recognise the importance of our cities to the regions and smaller communities of the north. We need to accelerate the delivery of Northern Powerhouse Rail to provide a fast Hull-Manchester-Liverpool service. I do not want this debate to be about towns versus cities or the north versus London. However, big cities are magnets for investment in transport, technology, culture and jobs on a level that few UK towns could ever aspire to achieve. My constituents want to be able to travel to our cities for both work and pleasure. We want bright young professionals for whom city living is the pull—I get that; I was young once—

**Ian C. Lucas:** You still are.

**Caroline Flint:** I thank my hon. Friend for his kind comment. We want those young professionals to be able to travel easily and at an affordable price to work in our local schools and health services. As my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper) pointed out, we have to have a twin-track transport strategy whereby we can deliver for both our towns and our cities. When announcements are made about the mega transport projects, the smaller schemes, which speak to our communities, should get equal billing.

I have a message of hope for this Minister. All is not lost; small changes can make a big difference. My own experience as the MP for Don Valley speaks to this. Under the last Labour Government, by 2002 Doncaster town centre had a new road bridge over the River Don. By 2005, two old, dirty bus stations were united in one airport-style clean and safe bus interchange attached to Doncaster railway station. Those two vital schemes are in the constituency of my right hon. Friend the Member for Doncaster Central (Dame Rosie Winterton), but they benefit everyone across Doncaster.

In 2002, a road bridge replaced a level crossing, connecting my communities of Denaby and Conisbrough to the economic developments in the Dearne valley. Doncaster's 100-year aviation history was brought to an end when our last airbase, RAF Finningley, was closed in 1995. It was destined at that point to become my area's third prison. Backed by a people-led campaign, FLY—Finningley Locals say Yes—I lobbied the newly

[Caroline Flint]

elected Labour Government to cancel the prison and secure a commercial airport. My 1997 election address pledged to secure a link road from the M18 to Rossington village. Today, Doncaster Sheffield airport, which opened in 2005, supports more than 1,000 jobs and the planes fly to more than 50 destinations.

The road scheme took somewhat longer—21 years, with the final mile of the Great Yorkshire Way completed last year. It is not often that constituents tell us what a difference something has made to their lives, but that four miles of road network has done just that. It has cut 15 minutes off journey times to Sheffield and other work centres. It has ended the Cantley crawl along Bawtry Road to reach a route to the M18. The Great Yorkshire Way connects the Humber ports to the iPort strategic rail freight interchange—a development that created more than 2,000 jobs, including at a large Amazon distribution centre.

However, the relatively small results count just as much. I have had to fight with Government and planners over the years to ensure that the Rossington part of the road scheme was not dropped. Rossington was known as the village with one road in and one road out. People could be left waiting for 20 minutes because of the level crossing servicing inter-city trains. Now, they are connected to the Great Yorkshire Way; Rossington has a road that it feels it owns and can be proud of. That is how all infrastructure projects should be managed—by not losing sight of how important the small picture is to the bigger picture.

Not every town can have an airport to help to lever in transport investment, but every town can have its own small or large success story. Many towns and villages in Don Valley would benefit from better public transport services, as well as investment in road maintenance, including traffic calming. Many of my smaller communities, where national speed limits apply on rural roads, suffer from speeding traffic. We have an above-average rate of fatalities caused by young drivers. I believe speed is part of the cause, but the funding pot for repairs to roads and effective traffic management has suffered unsustainable cuts.

Housing built around a coalmining industry where people walked to work cannot cope with modern car ownership. There is a lack of parking spaces, so cars and commercial vehicles are parked on grass verges. That is unsightly and sometimes leads to antisocial behaviour, so we end up with a policing problem. Where funds have been found to tackle that practically, but not at the expense of green space, residents and the wider community have benefited. Small changes make a big difference, but there is not enough money, which stops a strategic programme being put together that gets the job done over time.

Last summer, I discovered that the 57 bus had been changed. Despite bus operators, the passenger transport executive and local authorities forming a bus partnership, they left Blaxton, one of my villages, with no convenient service to the nearest secondary school and sixth-form college, and some residents with no service to their GP practice in Finningley. On investigating, I found that neither the GP practice nor Doncaster clinical commissioning group had been consulted, and nor had the dial-a-ride service, which the bus operator assumed

could provide transport for patients. Assumptions had been made about the school opening hours, too, which turned out to be wrong. I think that is typical of what happens in many small towns and villages. I do not think my transport stories are an exception.

I am sure the Minister will dazzle us with examples of funding pots and schemes to address concerns about transport in towns. I am not in denial about those initiatives, but too many of them just do not hit the mark. I support devolution, but it cannot be a journey just from Whitehall to the town hall. Our smaller communities still get left behind. I therefore have three asks of the Minister.

First, I want the Government to launch a national conversation about transport in towns. I do not want it to be dominated by the professionals, big businesses, the committee people and the usual suspects who respond to Government consultations. Instead, let us find new ways to hear from people in our towns and villages—people like the lady who wrote to Tony Benn all those years ago—about what bugs them and what makes them infuriated when they hear about the mounting billions spent on HS2 and other big Government projects that over-spend and under-deliver. What do we have to fear? A massive transport tab? Give the people credit. My constituents inspire me every day with their no-nonsense approach and understanding of priorities. Give them the chance to express their choices.

Secondly, we need a bus consultation review so that when bus operators and planners consult on new routes and timetables, the obvious destinations, such as shops, markets, schools and health centres, are all taken into account before changes are made.

Thirdly, we need to establish a rebuilding Britain fund that supports smaller but just as important infrastructure projects for our towns and villages. This is not just about transport, but transport without a doubt should be a significant part of it. If that fund is to work, our small towns cannot be expected to provide the kind of match funding that our cities and large towns can muster. Too often, they miss out on central funding because the match funding required is undeliverable locally. The fund should not require match funding. Alternatively—here is an idea—the Government should seek national or regional sponsors to support our towns, alongside Government resources, through the rebuilding Britain fund.

I do not expect the Minister to say, “Yes, yes, yes,” to those three asks, but I would welcome the opportunity—[HON. MEMBERS: “Go on!”] I can always be surprised. I would welcome the opportunity to meet other colleagues to explore my asks at a later date. This debate follows an earlier Westminster Hall debate secured by my right hon. Friend the Member for Delyn (David Hanson) on Government support for a town of culture award, in which I and many other Members present participated. There will be more to come. We will not stop standing up for our towns and villages. We will not stop trying to convince the Government and all our political parties to remember that the voices of people in our towns count as much as those of people living in our cities and wealthy university towns, and to say to our towns that their best days are not behind them, that decline is not inevitable and that their communities do matter.

Several hon. Members *rose*—

**Ian Austin (in the Chair):** Order. I will have to call the first of the Front-Bench spokespeople at eight minutes past 5. Seven people want to speak, so I will have to restrict speeches to two and a half minutes. I am sorry about that, but we have limited time. I ask people to bear that in mind.

4.49 pm

**Bill Grant (Ayr, Carrick and Cumnock) (Con):** It is a pleasure to serve under your chairmanship, Mr Austin. I thank the right hon. Member for Don Valley (Caroline Flint) for securing this important debate.

Transport connectivity is essential for many members of our communities in achieving daily activities such as going to work, places of education and medical appointments, and participating in leisure and other activities. For some, that involves travelling to and from neighbouring towns and villages, and we need to ensure that adequate and affordable public transport connectivity is in place.

Connectivity is only as good as the timetabling allows. Some of my constituents in Cumnock recently raised the issue of the revised bus timetable, which results in them arriving unsociably early or unfashionably late for work. Greater care must be taken in the notification of proposals and there must be improved consultation on any public transport changes, with active participation from those who are likely to be affected.

Even worse than timetable changes, an inordinate number of buses and bus routes have been withdrawn, which has had a negative effect, particularly on people in rural communities seeking to go to and from work. Lifestyle choices will have a bearing on the transport that commuters utilise, although some people have little or no choice, particularly in rural areas. Life events outwith their control, such as an illness that requires regular treatment, may influence people's preferred mode of transport between, for example, Ayrshire towns and the excellent Beatson oncology centre in the city of Glasgow. Any transport infrastructure also needs to be mindful of those with limited mobility.

In my constituency, with the publicised threat of some specialist NHS services being relocated to larger towns and cities, it is important that we consider the needs of different travellers at different times in their life journey. Many communities and charities run community transport buses, which—believe me—are a lifeline in rural Scotland. It is vital that we support them where possible and that we do not overlook the varied needs of rural and urban communities.

I am conscious of the time. It is important that we invest in affordable, functional and durable transport infrastructure that enhances the ability of our constituents to journey safely within and between our towns and cities. The UK Government's industrial strategy recognises the need for investment in greener, cleaner transport and for support for electric vehicles, including public service vehicles. We need towns with safe cycling and electric vehicles that lead to clear air to breathe, where trees and greenery intertwine with modern connected living. I hope that the Minister will continue to support such investment throughout the United Kingdom, including the much-needed improvements to public transport.

4.52 pm

**Liz McInnes (Heywood and Middleton) (Lab):** It is a pleasure to serve under your chairmanship, Mr Austin. Many passengers across Greater Manchester had a torrid time last year. With daily disruption on the rail network and congestion on the motorway network due to smart motorway construction, getting around has been hard. Transport issues form a constant, if not large, part of my constituency casework, and my office regularly receives complaints, particularly about late or cancelled bus services.

My colleague, Councillor Phil Burke, who is a member of the Transport for Greater Manchester committee, describes the buses serving my constituency as dire. He points out that it takes up to an hour to make the average 10-mile journey to Manchester from the area, which is unacceptable for anyone trying to get to work in the morning. He also points out that we are in a vicious circle, with people not using the buses because they are unreliable, which leads to prices being hiked up because of low patronage or to services being cut altogether. With rail services available to only part of my constituency, my constituents are more reliant than most on good bus services. Until the damage done by deregulation is put right, bus services in my constituency will continue to be the poor relation of public transport.

The Mayor of Greater Manchester, Andy Burnham, is working to create an integrated bus system that will be more affordable, more reliable and more accessible for disabled people. For the last 30 years, however, bus companies in Greater Manchester have been run in the private, rather than the public, interest. That needs to change. We are still waiting for the Department for Transport to put all the necessary regulations in place to enable franchising to begin under the Bus Services Act 2017 and for the much-needed reform of our bus services to commence.

If we do not have good transport in our local communities, no one benefits. Transport has to be affordable and reliable. It is a vital link for young people to access education and gain skills and for people to get to places of work, and it boosts the local economy. For the elderly, transport plays a vital part in helping them to access local services, such as hospitals and GPs, as well as in tackling social isolation. I am conscious of the time, so I will call it a day there.

4.54 pm

**Ben Bradley (Mansfield) (Con):** I congratulate the right hon. Member for Don Valley (Caroline Flint) on securing this debate, which gives me another opportunity to raise important local transport priorities with the Government.

The economic opportunities for an area such as Mansfield, the largest town in Nottinghamshire, are greatly improved by good transport links. The ability to attract new employers to create jobs so often comes from quick and easy access to major motorway and railway networks. Such major infrastructure needs to be supported by the Government, however, because often the projects are on such a scale that they are not viable for local authorities to consider alone.

The town of Mansfield has experienced challenges similar to those of all growing towns. The housing is built, but the infrastructure cannot cope, in particular



[Ben Bradley]

our roads, which were built for a time when fewer if any cars were on the road. The A60, the main road through my constituency, is a prime example: to the south, it is congested because of a poorly planned retail park, with 1,700 new homes to be built shortly as well, while to the north it is narrow and surrounded by housing, which makes expansion incredibly difficult. I very much appreciate the Secretary of State's multiple visits, which have built great momentum behind the plans to improve the junction and traffic flow at the retail park. I hope to secure Government support for the project this year.

The roads were just not built for a town of this size, but there are economic opportunities from road investment, including in the A617, which is known as the Mansfield Ashfield regeneration route, or the MAR. It has grown steadily to accommodate new housing, and it could expand further to support new jobs and to provide an increasingly necessary route for heavy traffic to get around Mansfield, rather than to plough through the middle of it.

Rail infrastructure, too, can have a big impact. Increasingly, people see Mansfield as a commuter town, from which to travel to Nottingham or Sheffield, but we do not have a national rail link, only the Robin Hood line to Nottingham. I want to improve on that. We have one of the best value-for-money rail expansion projects in the country. We are opening an existing line, extending the Robin Hood from Shirebrook through to Warsop, Edwinstowe and Ollerton, linking historically deprived communities to jobs at the former collieries at Welbeck and Thoresby pits, and tying in our tourism offer in Sherwood forest with access from our towns to make the most of the social and economic opportunities of such tourism. In the future, only a short hop will be needed to link Mansfield directly to the HS2 hub at Chesterfield. HS2 could be a game-changer for towns such as ours, but it will only work if communities can access it effectively and efficiently, and local lines will be pivotal.

There are major opportunities to utilise transport improvements to support ever-growing towns, whether in boosting infrastructure or improving the scope to attract new jobs and businesses. I hope that the Government's priorities in the industrial strategy will genuinely seek to boost towns, which are often more deprived, more isolated and more in need of support. The east midlands in particular sits at the bottom of the list of the Government's regional investment. Transport could play a big role in changing that. I will continue to raise with the Department for Transport those relatively cheap projects that can make all the difference to our community.

4.57 pm

**Stephanie Peacock** (Barnsley East) (Lab): It is a pleasure to serve under your chairmanship, Mr Austin.

I congratulate my right hon. Friend the Member for Don Valley (Caroline Flint) on securing this important debate. I despair, however, at the necessity for it, because once again hon. Members find themselves discussing transport struggles. As usual, we see that smaller towns have been overlooked. In fact, two months ago to the day I stood here in Westminster Hall to relay the

disgraceful experience of many people in Barnsley with our local rail services: prices are extortionate, delays regular and, when trains arrive, they are dilapidated, overcrowded and, frankly, better placed in a transport museum.

For many, the bus services around Barnsley are little better. Too often, they are run in the interests of profit, rather than as the essential public service that they provide. Many of my constituents in relatively rural towns are left isolated or out of pocket because of decisions made by the bus companies. Those companies pay no mind, for example, to my older constituent who, when his local service was changed, faced the prospect of spending a third of his weekly pension on a taxi to his local hospital appointments. They care little about my disabled constituent who, since the removal of her bus service, is forced to rely on the good will of neighbours to access the shops, library, post office or hairdresser. She is left, in her words,

“so isolated, lonely and fed up”.

That is simply not acceptable.

Bus services are the lifeblood of towns such as mine, but are too often run solely in the interests of profit. When unprofitable routes are cut, little mind is paid to the impact it has on the people who rely on them. Bus services should remain just that: a service.

Two months ago, the Minister admitted that

“it is fair to say that rail services across Yorkshire and the north as a whole have not been good enough.”—[*Official Report*, 19 December 2018; Vol. 651, c. 313WH.]

The fact of the matter is that that is true for many transport services in towns throughout the country, in particular northern towns such as Barnsley. It is about time that the Government finally addressed that woeful imbalance, and ensured that the interests of the public are taken into consideration in town transport services.

4.59 pm

**Jim Shannon** (Strangford) (DUP): I congratulate the right hon. Member for Don Valley (Caroline Flint) on securing this debate. I represent Comber and Newtownards, which are small former mill towns with textile factories and a linen industry, so I well understand to what she is referring.

We see the loss of industry to foreign fields. The vast majority of people who once walked to work now travel to work, if they can, and there is little or no infrastructure to deal with that. If someone misses a bus in my constituency, they will not get another in five minutes; it will be 45 minutes or 60 minutes. If they miss their bus, they miss their work and then they will not have a job. It is little wonder that so many use their car or taxis, as there simply is not the infrastructure in place to allow people to use public transport. Access to cars has gone up six percentage points in 10 years in Northern Ireland.

The fact of the matter is that areas with unaffordable and unreliable public transport cut off the poorest families. The right hon. Lady referred to the Joseph Rowntree Foundation, which did a survey interviewing people in neighbourhoods across the north of England and Scotland. It found:

“Transport was consistently highlighted as a significant barrier to work once the trade-off between the cost, reliability and speed of local public transport; and the prospect of low-wage, insecure work was considered.”

We did a similar survey in Northern Ireland. The travel survey for Northern Ireland found that 17% of people travelled on a bus once a week, 9% travelled by bus at least once a month, 44% said they never travelled by bus, 3% travelled on a train once a week, and 6% travelled by train at least once a month. When asked what would encourage them to use local public transport, 28% said cheaper fares and 19% said more frequent weekend services. Just under a fifth said that nothing would persuade them to use local public transport. Those are the issues.

The numbers paint a clear picture: we need much better public transport links to enable people to look further for work and to enable people to travel affordably and without having to work out if the job pays enough, given the bus fare. There is no quick fix and no short-term answer; there is only a need for funding a visionary plan. For me, any city deal should have enhanced links to towns and villages as a key component. To fail on that is to fail to unlock the potential of cities and the surrounding towns. Worse than that, we are failing to bring industrial towns and villages outside of the area up to modern-day life. That is grossly unfair and changes must be made.

5.2 pm

**Gareth Snell** (Stoke-on-Trent Central) (Lab/Co-op): It is a genuine pleasure to serve under your chairmanship, Mr Austin. I congratulate my right hon. Friend the Member for Don Valley (Caroline Flint) on securing this debate, which has demonstrated the strength of feeling across the House on the issues that face our local transport networks, particularly in towns.

Stoke-on-Trent is one city, but it is in fact six towns linked together by an artery of roads that all too often neither get people to the place they want to be, nor get them there on time. We struggle in Stoke-on-Trent because of the non-traditional geographical nature of our city. Towns that are no more than 2 miles apart do not have a direct bus route. In one instance, people can stand in one town and almost see the other, yet they have to travel through a third town to get there by bus. It is telling that since 1991, bus usership is up by 8% across the country, but network coverage is down by 30%. That is disproportionately affecting the small towns we all represent.

In places like Stoke-on-Trent, bus companies make operating changes, and that has consequences. In my community, a morning bus service at school time was changed, meaning that young people could either get to school an hour early or 10 minutes late. I am not convinced that the consequential impact of such changes on the day-to-day lives of those we represent is being taken seriously by bus companies or the Government. The Government have given additional powers to the combined authority areas to do proper regulating and franchising of buses, but they have also extended that power to local authorities outside of those combined authority areas, if they can prove they meet the criteria and standards set by the Department for Transport. When the Minister sums up, will she tell me how many times the Department has granted to local authorities that cover small towns those powers to get directly involved and bring their bus routes back into public ownership?

Municipal bus companies have not been mentioned. There are multiple examples around the country of small towns running their own bus services for public benefit at a profit to the taxpayer, meaning that services can be subsidised from a commercial interest. That is not being talked about and the Government appear to be opposed to the idea. When the Minister sums up, will she explain why she does not think small towns should be in control of their own bus services?

5.4 pm

**Tracy Brabin** (Batley and Spen) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Austin. I congratulate my right hon. Friend the Member for Don Valley (Caroline Flint) on securing this important debate. I have to confess that I love buses. Being on one gives people a chance to daydream, to chat to strangers, and now, on wi-fi-enabled buses, to do their emails. Communities like mine—clusters of small communities—really rely on their bus routes.

The economic gap between towns and cities is demonstrated by the differing opportunities to use buses to get out and about. The Urban Transport Group has shown that one in 10 people would be out of a job without their bus service. Two thirds of bus passengers earn less than £24,000 a year. These are working people on low wages or benefits, the unemployed, students and retirees—people who are already under pressure because of austerity.

With only one railway station in Batley and Spen, for a service that has really struggled with timetable changes, our roads are becoming increasingly congested, with parking on pavements and speeding cars being common complaints. We need a green alternative, and buses are that alternative. With air pollution rising beyond official limits and deaths connected to poor air quality on the rise, we need more people to use buses and trains.

I have been inundated with correspondence on Arriva's bus timetable changes in Batley and Spen. One woman might be forced to give up her cleaning job at a local school, which she has had for 18 years, because the bus will no longer go down her road. A 92-year-old will now have to use a taxi to get to the doctors, rendering her bus pass useless. Numerous residents have told me that the changes will result in them becoming further isolated from jobs and opportunities, robbing them of time with family, friends and loved ones. The changes have been made for cost reasons, but buses are not unprofitable. Bus companies have raked in a combined £3.3 billion in profit since 2009-10. We can make money out of these bus services.

We need to readjust our priorities for towns. Our constituents should not be abandoned by bus companies due to their emphasis on lucrative routes only. I echo my right hon. Friend's request for a national transport and towns conversation, a bus consultation review and a rebuilding Britain fund.

5.7 pm

**Alan Brown** (Kilmarnock and Loudoun) (SNP): It is a pleasure to serve under your chairmanship, Mr Austin. I congratulate the right hon. Member for Don Valley (Caroline Flint) on securing the debate. There is clearly a lot of interest in it, which I assume is why there are so many Members on these Benches, rather than it being part of any further breakaways from the Labour party.

[Alan Brown]

On a serious point—this is a serious subject—the right hon. Lady correctly set out the problems of connectivity in rural areas, and how towns and villages, and the people in them, can be left behind. I was particularly struck by her saying that that can entrench poverty. My constituency covers many rural villages and towns. I actually stay in a village 5 miles from the main town of Kilmarnock, so I know all about the problems with bus services, the cost of bus fares and bus companies changing timetables without proper consultation with or consideration of the paying public.

On a more positive note, today saw the opening of the final stretch of the Aberdeen peripheral bypass, which was first planned 65 years ago and has finally been delivered by the Scottish National party Government. That is typical of the Union dividend that Scotland has had to deal with over the years and that it now has to rectify, post-devolution. We also had the last single-track trunk road—the vital trunk road to Mallaig—in the UK, which was only upgraded to allow traffic each way in 2009.

There has also been the Pulpit Rock upgrade on the A82, with a viaduct replacing what were supposed to be temporary lights but which were left in place for 30 years. The Crianlarich bypass on the A82 opened in 2014. There are ongoing upgrades to the A9, A96 and A75, and the M8 has been completed, as have the M74 and M80 extensions. The hon. Member for Ayr, Carrick and Cumnock (Bill Grant) will welcome the Maybole bypass, which is now receiving funding. That was first mooted in Westminster in 1989 and is now being delivered by the SNP Government.

The SNP Government also delivered the borders railway, which has been transformational. The rest of the UK could look at that when thinking about reconnecting the towns and villages left behind by the Beeching cuts. Since its reopening, we have seen new businesses on the borders, the creation of travel hubs and a massive increase in tourism and the associated increase in tourism jobs. Such developments create jobs and people do not necessarily need to travel once the connectivity is in place for visitors.

The Urban Transport Group published a particularly relevant document, “About towns: How transport can help towns thrive”, which states:

“Now, in a post industrial age, transport has a key role to play in putting these towns back on the map. After all, it is transport that can plug towns into larger city regions and national economies, and in doing so widen labour markets; meet housing demand; draw in investment; and open up access to opportunity.”

We would all welcome that. It continues:

“Transport can also shape the way towns look, and the way they feel about themselves, through creating better and healthier streets; through the sector’s employment, procurement and community involvement practices, and through the quality of new or transformed transport infrastructure.”

We cannot argue with those key findings. Others are using transport to open up new housing and commercial development opportunities in long-term master planning.

I was particularly struck by the document’s case study of Kilmarnock train station, under the subheading, “more than just a station”. It rightly covers the transformation of previously unused, partially derelict rooms in basement areas into vibrant community hubs

in Kilmarnock train station. That was undertaken with Kilmarnock Station Railway Heritage Trust. That group is spearheaded by another Allan Brown—it feels like he is a more dynamic Allan Brown than me, given his achievements.

**Ian Austin (in the Chair):** Not possible.

**Alan Brown:** I will take that compliment, Mr Austin.

The trust managed to secure £500,000 of funding from a number of sources and brought seven station rooms back into use. They now host a gift shop, a coffee shop called Storm in a Teacup, and a bookshop called the Killie Browser, which has a huge range of second-hand books—rest assured, nobody can go in there and come out empty-handed. It is used to create skills and opportunities for people and to help people back into the workplace.

A number of community groups use the rooms. The Breaking Bread group involves local people coming together to cook together and socialise for one evening a week. A local peer support group has been set up, focusing on family-related issues. The group receives community reinforcement and family training in order to improve relationships and family communication. “Living life to the full” training is offered via eight sessions over eight weeks, to help with low mood, confidence and self-esteem, and with breaking cycles of negative thinking. The transformation of the station is also transforming people’s lives, helping them in a social environment and moving them on from social exclusion. It really is more than a station.

Next to Kilmarnock station, we have the fantastic Kilmarnock campus of Ayrshire College, which is helping to regenerate the former Johnnie Walker site. That is another example of master planning. It is reconfiguring college housing and locating it next to important transport hubs. That is how we can change towns for the better.

5.13 pm

**Matt Rodda (Reading East) (Lab):** It is a pleasure to serve under your chairmanship, Mr Austin. I congratulate my right hon. Friend the Member for Don Valley (Caroline Flint) on securing this important debate, and I thank her for raising the important issue of transport in towns. It is clear that the issues that towns face are distinct from those affecting major cities and the countryside. There are several thousand towns across the UK, ranging in size from a few thousand people to a couple of hundred thousand residents. Many have a long history. They are linked to their local area, have particular industries and are situated in particular parts of the country. Their identity and the local economy often differ considerably from those of cities. Some have less effective transport links, and many can feel different and distinct.

I am proud to represent Reading, which is one of England’s largest towns. It is a borough with a long history. It is the site of an important medieval abbey, the burial place of Henry I, and was later an important industrial town. We are very lucky that our town sits on the main road and rail link between London and Bristol and south Wales. However, not all towns are as lucky, and many suffer from poor transport links. I will mention that later, as Labour has a range of policies to support our towns.



Many towns also suffer severe problems with congestion. It is important to address that serious issue, which wastes valuable time and money for businesses and harms the quality of life of many residents. A number of towns suffer from serious air pollution as a result. Given those serious problems, my right hon. Friend is absolutely correct to call for a new focus on transport in towns. However, I am afraid to say that the current Government seem quite simply incapable of identifying that as an issue, even though transport problems in towns affect a huge number of people across the United Kingdom. I should say, however, that that is hardly surprising, given the woeful track record of Ministers and in particular the Secretary of State.

The evidence of that inept handling of transport policy is clear for all to see. Ministers have failed to see the scale of the need for investment across our country, as they have continued to put London and the south-east first. Encouraging long-distance commuting through their new roads fund has diverted resources that could have been spent on improving transport in towns. New A roads have been built to get from one city to another—or perhaps I should say to get from one traffic jam to another.

Ministers have cut funding for buses and failed to promote bus use, which has now declined for several successive years; indeed, bus funding has fallen by 45% since 2010. They have also failed to acknowledge that investment in buses is a simple, cost-effective and environmentally friendly way to cut congestion and give more people access to high-quality public transport. This ill-thought-through approach has hit pensioners, commuters and young people, all of whom rely on buses.

To make matters worse, the Government have also missed their targets for cycling and walking. Quite simply, they have failed to invest in the modes of transport that reduce congestion, improve health and the quality of life in towns, and protect the environment.

Labour's strategic approach would provide a complete contrast to the years of failure under the current Government. Labour would introduce a young person's bus pass and we would offer local control and improved services, to allow all councils to franchise bus services and set up new municipal companies. We would bring rail back into public ownership, which would improve services and lead to much more effective spending of money. We just have to look at the simple comparison between the profitable publicly owned east coast service, which paid a surplus back into the Treasury, and the recent bail-out of Virgin on the same line.

Labour would also invest in walking and cycling, and we would support imaginative schemes to join up parks and tow-paths, and encourage more cycling and walking in towns.

The UK is also one of Europe's most unequal countries by region. Many of our towns and cities have suffered severe under-investment in transport, and we would be committed to ensuring that each region of the country receives its fair share of transport spending.

I will turn briefly to the excellent points made by my right hon. Friend the Member for Don Valley. First, she is absolutely right to highlight the Government's failure to tackle transport problems affecting towns. She made a very important point about the need to make transport

respond to the needs of local people in towns. The Government should review the way in which private bus providers consult on changes to routes, so that obvious destinations such as shops, markets, schools and healthcare centres are not excluded. Her third point was also telling: as I have said, for far too long infrastructure investment has been biased towards London and the south-east. It is high time that Ministers embraced a new deal for towns.

To conclude, this has been an important debate. Transport and the rejuvenation of our towns go hand in hand. I hope that this debate encourages the Government to realise that our towns' best days are not behind them but in the future, and that communities matter.

5.18 pm

**The Parliamentary Under-Secretary of State for Transport (Ms Nusrat Ghani):** It is a pleasure to serve under your chairmanship, Mr Austin.

I congratulate the right hon. Member for Don Valley (Caroline Flint) on securing the debate. There has been a wide-ranging discussion this afternoon. I am pleased to note that this debate was not just about a particular journey from A to B but about how transport can regenerate our communities and bind them together. This afternoon, we have all discussed the fact that transport is essential for opportunity, growth and the wellbeing of the whole nation, including the towns that represent the living souls of the UK.

My right hon. Friend the Secretary of State for Transport has set local transport as a key priority for the Department for Transport, recognising its vital role in achieving a prosperous and well balanced society. However, as has been noted this afternoon, most people say, if they are asked, that they just want their transport system to be local, convenient, clean, reliable and safe. They want to have less congested roads and better air quality. My Department is delivering on those expectations, but of course there is always more to do, and transport is a key driver for social and economic change.

I was pleased to note that the right hon. Lady spoke about technology. The 21st century is seeing rapid shifts in mobility, with the adoption of broader and more sustainable approaches. Social and economic trends are also changing people's behaviour and attitudes. The digital revolution, the growing awareness about smart places, and the greater emphasis on sustainability and environmentally friendly ways to travel create new transport challenges and opportunities.

I would be pleased to respond to the right hon. Lady on the transport in towns conversation and the rebuilding Britain fund, but most hon. Members raised the issue of buses, so I will discuss them first. As I come fresh from the Select Committee on Transport session last week on buses, I hope that hon. Members will note that I am a particular advocate for them.

The right hon. Lady mentioned a quote from Bristol, is that correct?

**Caroline Flint:** It was from Tony Benn.

**Ms Ghani:** I was just trying to find out the statistics for Bristol. The Member, or the resident, was obviously disturbed about how or when they could catch a bus, but if that Member was still around, the right hon.

[Ms Ghani]

Lady could point out to them that 50% more people are using buses in Bristol compared with in 2009-10, as I saw on a visit last weekend.

No matter what happens with technology or how people change the way they want to travel, buses will still play a key part. More than 4 billion journeys take place on our buses and those who use buses have the highest satisfaction compared with all other modes of transport. Buses will continue to play a huge role in our transport system. They connect our communities to the workplace and to vital public services such as healthcare and education. They are the quickest and most effective way to deal with people's desire to get to work and school.

Most importantly, the Bus Services Act 2017 gave local authorities the option to manage those relationships even better, including new and improved options to allow transport authorities to enter into partnerships with their local bus operators. As was noted by many hon. Members, Mayors have additional franchising powers, too.

I was interested to note which hon. Members' constituencies were in mayoral authorities. The hon. Member for Heywood and Middleton (Liz McInnes) mentioned that her local authority was waiting for an update in the regulations, but those regulations are already in place under the 2017 Act. Her local authority just needs to contact the Department and it will have the opportunity to enter into a voluntary or statutory relationship.

**Liz McInnes** *indicated dissent.*

**Ms Ghani:** The hon. Lady shakes her head. If she wishes to get in touch with the Department, we can lay out how the plans can work for her local authority so it can take the relationship forward.

I believe the constituency of the hon. Member for Barnsley East (Stephanie Peacock) sits under the mayoral authority of the hon. Member for Barnsley Central (Dan Jarvis). Through the powers in the 2017 Act, the Mayor has the opportunity to franchise bus services. I had that conversation with him in person when he met me about HS2.

The hon. Lady was also keen to make sure that the right investment was made in the rail network in her region. About £48 billion of rail investment is projected between 2019 and 2024. There has also been a substantial amount of infrastructure funding—about £300 million—to help with HS2.

The hon. Member for Stoke-on-Trent Central (Gareth Snell) was keen to understand how the 2017 Act could help his local authority. Local authorities can have a voluntary or statutory partnership with their bus companies. They just need to get in touch with the Department. We would welcome any interaction, because we are always delighted to enable local authorities to take that forward.

**Gareth Snell:** Having read the 2017 Act, I am acutely aware of what possibilities exist in it, but my specific question to the Minister is how many local authorities have taken up those powers outside mayoral combined authority areas. Simply having something on paper does

not mean that local authorities are doing it. Can she give me a figure today of how many local authorities have taken up the powers that she references?

**Ms Ghani:** The hon. Gentleman raises a valuable point. Previously, the argument was that the powers were not available. The Department made those powers available in 2017—they have been in place for only a few years—and we are in conversation with a number of local authorities and Mayors. We need local authorities to put business cases together, come forward and be bold and responsible for the bus services that they should be making available to their local communities. The hon. Gentleman might also have noted his area has been shortlisted for a slice of the £1.28 billion transforming cities fund. I know that is a city and we are talking about towns, but we can ensure that buses are central to how that fund is allocated.

**Tracy Brabin:** Does the Minister accept that communities such as Kirklees, where we have had a 60% cut to our council funding since 2010 and where, since One Yorkshire has been kicked back, we cannot currently get a Mayor, are in a perfect storm where bus services are stagnating?

**Ms Ghani:** I share the hon. Lady's frustration and concern for her constituents who rely on bus services, but we have to remember that these are the choices that local authorities are making.

**Tracy Brabin:** But they don't have the money to do it.

**Ms Ghani:** These are the choices that local authorities are making. They need to be aware that if they make changes to buses, they do more than just remove a mobility service; they affect people's opportunities to access health, education and jobs. We all talk about devolution, but if we are going to talk about devolving these powers so that local authorities are responsible and in charge, they need to think about the impact of the choices they make on the communities they represent. The hon. Lady will be pleased to know that there should be more funding available for buses in her area, because West Yorkshire has also been shortlisted for a share of the £1.28 billion transforming cities fund. I am sure that she—

**Tracy Brabin:** That's transforming cities!

**Ms Ghani:** I agree, but buses and towns will also play a part in that fund. Most of us have spoken about buses. We all have a role in ensuring that buses are part of that project and that, when local communities put in plans to transform transport, buses are not seen as something to add on at the very end.

One of the issues raised was how people can access buses and get information about what tickets are available and when services are running. The 2017 Act puts in place bus open data. That will require bus services to make public information about timetables, fares and tickets, which at the moment are not that easy to understand, in real time so passengers can make decisions about how and when to get the bus. That information will be available from 2020. Those improvements aim to remove uncertainty about bus journeys, improve journey planning and help passengers secure the best value for money for their tickets.

The hon. Member for Batley and Spen was absolutely right to say that buses are the greenest option. That is why we recently announced a further £48 million for low emission buses, which means that catching a bus is also environmentally friendly. I believe there is also a discussion to be had about how buses are a way for people to communicate with each other. A huge amount of work was done on tackling loneliness on the back of the Jo Cox Commission on Loneliness. Once again, buses were seen as a service that some people take up just to have a conversation. I therefore urge all Members present to work with me to ensure that their local authorities understand how important bus services are.

I will touch on taxis for just a moment, because they are a key service in our towns. We recently responded to the taxi and private hire vehicle task and finish group, which put together proposals for ensuring that taxi and private hire vehicle passengers continue to be secure, on the back of the cases in Rotherham and Oxford. Only a few weeks ago, we announced that we will raise the basic threshold for drivers to secure a licence and will have a national database and national enforcement policies.

I was going to talk about walking and cycling, but I seem to have run out of time. I wanted to end with what the right hon. Member for Don Valley said about having a towns conversation and ensuring that we have a transport fund and strategy by touching on the future high streets fund and the transforming cities fund, but I believe she wants to respond, so I have run out of time—forgive me.

5.29 pm

**Caroline Flint:** I am afraid the Minister did not really address the sum of all the parts of today's contributions. Twelve Labour Members contributed to the debate, including my hon. Friends the Members for Ashfield (Gloria De Piero), for Hartlepool (Mike Hill), for Batley and Spen (Tracy Brabin), for Heywood and Middleton (Liz McInnes), for Barnsley East (Stephanie Peacock), for Huddersfield (Mr Sheerman), for Bury North (James Frith), for Stoke-on-Trent Central (Gareth Snell) and for Wrexham (Ian C. Lucas), my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper) and my hon. Friends the Members for Warwick and Leamington (Matt Western) and for Stroud (Dr Drew). We also heard from the hon. Members for Ayr, Carrick and Cumnock (Bill Grant), for Mansfield (Ben Bradley) and for Strangford (Jim Shannon).

Clearly, the sum of all the parts of those contributions adds up to a huge amount. The Minister did not address what our towns and villages are crying out for—a holistic strategy that understands that local areas need to be given not only powers but resources. I will take up the opportunity of a meeting with the Minister. By the way, Tony Benn has been dead for four years and the Russians landed a vehicle on the moon in 1959, when the letter I quoted was written.

5.30 pm

*Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).*





# Written Statements

## DEFENCE

*Tuesday 19 February 2019*

### TREASURY

#### ECOFIN

**The Chancellor of the Exchequer (Mr Philip Hammond):**

A meeting of the Economic and Financial Affairs Council (ECOFIN) was held in Brussels on 12 February 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 11 February meeting of the Eurogroup, and the European Commission provided an update on the current economic situation in the EU.

*European Central Bank—executive board member*

The Council endorsed the appointment of Philip Lane as a new member of the European Central Bank executive board.

*European system of financial supervision review*

The Council agreed a general approach on the review of the European system of financial supervision.

*Current financial services legislative proposals*

The Romanian presidency provided an update on current legislative proposals in the field of financial services.

*Decision making in EU taxation policy*

The Council held an exchange of views on the European Commission's proposal to move to qualified majority voting (QMV) in EU taxation policy.

*Fiscal sustainability report*

The Council adopted Council conclusions on the 2018 fiscal sustainability report.

*Discharge of the EU budget*

The Council approved a Council recommendation to the European Parliament to discharge the Commission of the implementation of the 2017 EU budget.

*EU budget guidelines*

The Council adopted Council conclusions on the EU budget guidelines for 2020.

*AOB—carbon pricing and aviation tax*

Following a presentation by the Netherlands, the Council held an exchange of views on carbon pricing and aviation tax.

[HCWS1342]

### Chemical Weapons Convention: Annual Statement of UK Protective Programme 2017

**The Minister for the Armed Forces (Mark Lancaster):**

My right hon. Friend the Minister in the House of Lords (the right hon. the Earl Howe PC) has made the following written ministerial statement.

The UK's chemical protection programme is designed to protect against the use of chemical weapons. Such a programme is permitted by the chemical weapons convention, with which the United Kingdom is fully compliant. Under the terms of the convention, we are required to provide information annually to the organisation for the prohibition of chemical weapons. In accordance with the Government's commitment to openness, I am placing in the Library of the House a copy of the summary that has been provided to the organisation outlining the UK's chemical protection programme in 2017.

[HCWS1340]

## HOUSING, COMMUNITIES AND LOCAL GOVERNMENT

### National Planning Policy Framework

**The Minister for Housing (Kit Malthouse):** The national planning policy framework is fundamental to delivering the homes and other development that we need, achieving high-quality places and protecting our environment.

Last year we published a revised framework, which implemented a range of reforms to help make planning more predictable and transparent, drive up quality and support delivery.

A consultation on further updates to the framework and associated planning guidance ran from 26 October to 7 December 2018, and the Government are grateful to everyone who responded. Having considered those responses, we are making very minor changes to the text of the framework, which are reflected in an updated version being published today. A copy of the revised framework is available on the Department's web site, alongside our response to the consultation.

[HCWS1341]





# Ministerial Corrections

*Tuesday 19 February 2019*

## EDUCATION

### Education Funding: Cheshire

*The following is an extract from a debate in Westminster Hall on Education Funding: Cheshire on Wednesday 13 February 2019.*

**Nick Gibb:** The sparsity factor in the formula allocates additional funding of £25 million specifically to schools that are both small and remote. This year, seven schools in my right hon. Friend's constituency attracted a combined total of £133,000 in sparsity funding.

*[Official Report, 13 February 2019, Vol. 654, c. 363 WH.]*

*Letter of correction from the Minister for School Standards.*

An error has been identified in the response I gave to my right hon. Friend the Member for Tatton (Ms McVey).

The correct response should have been:

**Nick Gibb:** The sparsity factor in the formula allocates additional funding of £25 million specifically to schools that are both small and remote. This year, seven schools in my right hon. Friend's **local authority** attracted a combined total of £133,000 in sparsity funding.

## TRANSPORT

### Draft Drivers' Hours and Tachographs (Amendment etc.) (EU Exit) Regulations 2019

*The following is an extract from the debate on the draft Drivers' Hours and Tachographs (Amendment etc.) (EU Exit) Regulations 2019 on 5 February 2019.*

**Jesse Norman:** Certain functions will also be transferred to the Secretary of State, such as the Commission's power to specify the technical requirements of the tachograph, which will become a domestic regulation-making power using the affirmative procedure.

*[Official Report, Tenth Delegated Legislation Committee, 5 February 2019, c. 4.]*

*Letter of correction from the Minister of State, Department for Transport, the hon. Member for Hereford and South Herefordshire (Jesse Norman).*

An error has been identified in my contribution to the debate.

The correct statement should have been:

**Jesse Norman:** Certain functions will also be transferred to the Secretary of State, such as the Commission's power to specify the technical requirements of the tachograph, which will become a domestic regulation-making power using the **negative procedure under this affirmative procedure SI**.



# ORAL ANSWERS

Tuesday 19 February 2019

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<b>TRANSPORT</b> .....	14MC
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