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House of Commons

Monday 10 June 2019

The House met at half-past Two o'clock

PRAYERS

[Mr Speaker *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Violent Crime: Young People

1. **Vicky Ford** (Chelmsford) (Con): What steps he is taking to divert young people away from violent crime. [911208]

12. **Alan Mak** (Havant) (Con): What steps he is taking to divert young people away from violent crime. [911219]

The Secretary of State for the Home Department (Sajid Javid): Diverting young people from crime is at the heart of my approach to tackling serious violence. Factors such as domestic abuse, truancy and substance abuse can make a young person more vulnerable to becoming a victim or perpetrator of serious violence. That is why we are investing over £220 million in early intervention schemes to steer young people away from serious violence.

Vicky Ford: The experience of the local police in Chelmsford is that once a young person is in a gang they become indoctrinated and indebted to the gang, and it is hard to turn that round. It is therefore better to invest in prevention, and the role of schools is vital. Will my right hon. Friend work with the Secretary of State for Education and the Treasury to ensure that schools get the resources they need to run proactive initiatives to prevent young people from being sucked into violent gangs?

Sajid Javid: My hon. Friend is absolutely right; we cannot arrest our way out of crime, and early intervention is critical. That is why we have, for example, the £200 million youth intervention fund to do precisely that: steer young people away from violence. She is also right to think about how schools can work much more closely with police and others. That require some more resources, and I am very happy to continue that conversation with the Department for Education and the Treasury.

Alan Mak: Drug dealing and violence across county lines involving young people is a growing issue in my region. What support is my right hon. Friend giving Hampshire police to tackle this issue and help our young people?

Sajid Javid: My hon. Friend is right to raise the issue of county lines and his concern. More support is being provided for Hampshire in particular, with Hampshire police receiving £1.2 million from the £100 million extra that I announced a few months ago for the serious violence fund. Hampshire is also benefiting from the early intervention youth fund, through which we have sponsored a number of projects, including a £400,000 project in Hampshire aimed at supporting young people away from future offending.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Home Secretary referred to youth intervention investment, but that money is spread over several years. As he will know, the Select Committee on Home Affairs asked for the annual breakdown of that money. We are still waiting for that. That matters, because it looks to us as though the additional investment he has proposed adds up to around only 5% annually of the £760 million being cut from youth services.

I know from a meeting in Knottingley in my constituency this morning that antisocial behaviour is rising, and knife crime among young people in west Yorkshire has trebled over the last few years. We need this investment very rapidly and cannot wait. Will the Secretary of State confirm that the Select Committee will get those figures, and that he will give oral evidence to the Committee before the summer recess? His office suggested that he would not.

Sajid Javid: I do plan to give evidence to the Select Committee before the summer recess. I can confirm also that the right hon. Lady will get the numbers that she has asked for. Perhaps she was referring to the £200 million youth endowment fund, but she will know that there is also the £22 million early intervention fund, which has supported some 29 projects already.

Ellie Reeves (Lewisham West and Penge) (Lab): I welcome the Government's decision to adopt a public health approach to youth violence, but aside from a summit we are yet to see any affirmative action. The Home Secretary recognises that early intervention is important, yet we have seen cuts to our Sure Start centres, our education and our youth services. What urgent action will he take to implement a public health approach? What will he do to step up conversations with Cabinet colleagues to ensure that those vital early intervention services get their funding restored to them immediately?

Sajid Javid: The hon. Lady rightly raises the importance of the public health approach—having a legal requirement for all Government Departments and agencies to work together—but she is wrong to suggest that the only thing that has happened is the summit that the Prime Minister held. The hon. Lady will know that we have already published the consultation, which is ongoing. She will know that, to get good policy, it is right to hold a consultation. I hope that she will input into it and that, when it leads to legislation, we can have cross-party support.

James Gray (North Wiltshire) (Con): The normally quiet and law-abiding town of Calne in my constituency has been rocked in the past two weeks by the brutal murder of 18-year-old Ellie Gould by, allegedly, an under-age

knife-bearing murderer. I will not ask the Home Secretary to comment on that case, but does he not agree that one very good way of deterring people from carrying knives and taking part in this kind of appalling outrage is by applying the strongest possible sentence to these people to send a message to others who might be that way inclined?

Sajid Javid: May I take this opportunity to extend my sympathy to Ellie's family for what has happened and their terrible loss? My hon. Friend is absolutely right that to tackle serious violence we need to take action on many fronts. As well as law enforcement and early intervention, it is right to ensure that sentencing is fit for the crimes that have taken place.

Louise Haigh (Sheffield, Heeley) (Lab): Part of the Government's response to the horrifying rise in violent crime has been to commission an independent review on drugs. Given the revelations over the weekend in relation to various Tory leadership hopefuls, is it not time to consider extending that review to consider whether our drug laws and policy are discriminatory, and whether they, in fact, fuel violent crime?

Sajid Javid: The hon. Lady will know that the Government have been very clear, as have previous Governments, that drugs and the crime related to drug gangs are leading to serious violence and all sorts of other serious problems in society and other types of crime. That is why we have taken action on many fronts, but we do want to understand more about drugs and their impact. That is exactly why I commissioned the independent review, by Dame Carol Black, on drugs misuse.

Windrush Victims: Compensation

2. **Jessica Morden** (Newport East) (Lab): What steps he is taking to compensate victims of the Windrush scandal. [911209]

5. **Helen Hayes** (Dulwich and West Norwood) (Lab): What steps he is taking to compensate victims of the Windrush scandal. [911212]

10. **Mr Tanmanjeet Singh Dhesi** (Slough) (Lab): What steps he is taking to compensate victims of the Windrush scandal. [911217]

The Minister for Immigration (Caroline Nokes): On 3 April, my right hon. Friend the Home Secretary announced the opening of the Windrush compensation scheme. The forms, rules and guidance were published on the same day. The freephone helpline is available to answer any queries. The scheme will ensure that those who have been affected are able to claim for the losses they faced and receive appropriate compensation.

Jessica Morden: How will the Government compensate Windrush victims such as my constituent who could not work for eight years because of his lack of status, losing his NI contributions and his pension? Are Ministers making sure that in such complicated cases people get the advice they need to fill out the forms, so they are not victimised yet again?

Caroline Nokes: We worked very hard with the independent adviser, and indeed with victims of Windrush, to ensure the claim form was as accessible and as easily understood as possible. It is a complicated claim form, because there are 13 different heads of claims under which people are able to claim compensation, but we have set up a contract with Citizens Advice so they can get independent advice without having to resort to using lawyers.

Helen Hayes: Community organisations working with Windrush citizens, including the Black Cultural Archives in my constituency, report that the compensation scheme simply is not working. The form is too complex, advice is neither accessible nor specialist enough, and the burden of proof is far too high. Will the Minister review the scheme, acknowledge that it is not working, and, as an absolute minimum, provide immediate funding for specialist legal advice to be available not only by phone but in person to every Windrush citizen who needs it?

Caroline Nokes: As I outlined, there is already a contract in place with Citizens Advice to provide that independent advice. There is an ongoing series of engagement events, with taskforce officials from the Home Office attending different community groups across the country, including in London. There have been two events in Newport. It is important that we get this right, which is why we worked with Martin Forde to have a scheme that gave us independent advice. It is important that we work through it. I know that at 18 pages the claim form is quite long, but of course individual claimants have to fill in only the components that are relevant to them, not every page.

Mr Dhesi: This gross injustice with respect to the Windrush scandal is not an accident or a one-off; it is a direct result of the Government's hostile environment policy. Have the Government considered how their hostile environment might affect migrants from India, Pakistan or Bangladesh now and in the future?

Caroline Nokes: It is important to reflect that roughly half the individuals affected by Windrush had a negative impact pre-2010 under the previous Labour Government. We are determined to put right all those wrongs and ensure that wherever people have come from—people from a wide variety of countries, not simply the Caribbean, have made contact with the Windrush taskforce—they are given the support to go through the process of getting the documentation they need. Well over 4,000 people have secured British citizenship as a result, and over 6,000 people have the documentation they need to prove their right to stay in the UK.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): The Minister has to begin to acknowledge communities' grave concerns about the Windrush compensation scheme as it stands. They think that it is not working. She also needs to bear in mind that this is an ageing cohort, who will probably need more support on average than a cohort that is more mixed in age. The Home Secretary told the House in April last year that we

"will do whatever it takes to put it right".

He continued:

"We have made it clear that a Commonwealth citizen who has remained in the UK since 1973 will be eligible to get the legal status that they deserve: British citizenship."—[*Official Report*, 30 April 2018; Vol. 640, c. 35.]

What progress has been made on those promises?

Will the Minister reconsider some of the worst aspects of the current scheme? It will currently not compensate those who may have been wrongly deported. I quote from the document:

"It is difficult to determine whether inability to return to the UK is a loss".

Of course someone being deprived of their home, job, family and community is a loss. How can Ministers say that it is "difficult to determine" whether there is a loss?

Caroline Nokes: I thank the right hon. Lady for her question. It is absolutely because we acknowledge that people have been wronged that, in the last week, I personally have attended two separate outreach events for people who wish to understand the compensation scheme. It is why there are dedicated helplines. It is why we have put in place the scheme with Citizens Advice, so that it can provide advice. I reiterate that 6,470 individuals have been granted some form of documentation and 4,281 have been granted citizenship. As I said, there are 13 different heads of claim, including not only deportation, but loss of ability to work, loss of benefits and so on. We are absolutely determined to make sure that we compensate the individuals affected in a timely manner.

Facial Recognition Technology

3. **Mr David Davis** (Haltemprice and Howden) (Con): What assessment has been made of the accuracy of the facial recognition technology used by the Metropolitan Police Service. [911210]

The Minister for Policing and the Fire Service (Mr Nick Hurd): Facial recognition technology can help the police to do their job. It must be right to support trials of this rapidly improving technology, but given its sensitivity it must also be right that the technology's benefits should be independently reviewed. That is exactly what the Met is doing with the University of Essex and we will consider that review very carefully.

Mr Davis: In May, San Francisco, one of the most tech-friendly cities in the world, banned the use of live facial recognition technology because of massive error rates and concerns about racial bias in its use. Five United Kingdom police forces use similar cameras and systems. Both the Met and South Wales police have seen a 90%—or worse—misidentification rate of innocent members of the public. It is clear that the cameras carry serious risks, yet no legislation governs the use of the technology; it operates in a legal void. The Minister refers to the Metropolitan police. This is not a decision for a police force to make; it is a decision for Parliament. Will the Minister bring legislation to the House laying down strict guidelines on the use of this technology?

Mr Hurd: My right hon. Friend has a long track record in this area. He is entirely right to raise the sensitivity in finding the right balance between security and civil liberties. On the Met's numbers, there is a one in 1,000 chance of a false alert, but we need to see the evaluation. I am very clear in my mind that we need to support the police in trialling new technology, but if we are to take the public with us we have to be absolutely sure that it sits inside a regulatory framework that they trust. We believe that there is a legal framework for it, although that is being challenged in the courts. I give him my undertaking that, given the importance of maintaining public confidence and trust, we are doing urgent work to review the regulatory environment in which this technology development sits, including new oversight and advisory boards, because I recognise the fundamental importance of taking the public with us on this journey.

Kate Green (Stretford and Urmston) (Lab): The police national database contains 15 million images, which have been used in a much less controversial way for static facial recognition since 2014, but police tell me that the algorithm that is used to support the database is out of date and needs investment. Will the Minister confirm that the necessary investment will be made?

Mr Hurd: I can confirm to the hon. Lady that, across a substantial range of technology requirements for the police, the Home Secretary and I are considering the funding requirements of the police in the context of the comprehensive spending review, and he and I have made it clear that police funding is our priority.

Theresa Villiers (Chipping Barnet) (Con): In the last year or so, the Met have issued many of their officers with tablet computers, but the feedback I have had from officers and constituents is that very often these are unstable, freeze routinely and can actually mean that work takes longer, so will the Minister talk to the Met Commissioner to ensure that their technology is stable and reliable for officers to use?

Mr Hurd: I have had those conversations with the Met Commissioner because I have heard exactly the same thing from members of the serious violence taskforce and officers on the beat in my own constituency. It is clear to us that mobility—the ability to work on the move without having to go back to the station to fill in reports—is critical to improving police productivity, so we must make sure we get the technology right.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): What was not known during the Huawei furore was that it was a leading pioneer of facial recognition technology distinguishing between Han and Uighur citizens within the Chinese republic. Are the Government seeking to use this technology as a solution on the British border on the isle of Ireland?

Mr Hurd: I will not get drawn into that. It is our responsibility as a Government and a Parliament to support the police in pushing the frontiers of what technology can do in law enforcement, but I come back to this fundamental point: we have to take the public with us, and that means the regulatory environment has to be fit for purpose.

Nick Thomas-Symonds (Torfaen) (Lab): The Minister will be aware of the comments of the new independent reviewer of our counter-terror laws at the weekend about our police and security services using artificial intelligence and algorithms in detecting suspicious

behaviour. He was speaking of a future like that in the film "Minority Report" where predictive technology drives everything. Is not the only way to establish the appropriate balance between liberty and security to create a new durable legislative framework that can be properly considered by this House? Why can he not commit to bringing that forward today?

Mr Hurd: I repeat that I am extremely aware of the need, as technology develops in this area and others, for there to be public confidence and trust in it, underpinned by a legislative and regulatory framework in which people have confidence. We feel that that legal framework is in place, but we are reviewing the oversight and regulatory framework in which this all sits, and that is a work of some urgency for me.

Refugee Family Reunion

4. **Sir Vince Cable** (Twickenham) (LD): Whether he plans to extend the scope of his policy on refugee family reunion. [911211]

The Minister for Immigration (Caroline Nokes): The Government provide a safe and legal route for bringing families together through our existing family reunion policy. These provisions are consistent with our obligation to respect family life under article 8 of the European convention on human rights. We are listening to calls to extend this policy and will continue discussions with stakeholders.

Sir Vince Cable: Ministers will recall that last July the other House passed the Refugees (Family Reunion) Bill overwhelmingly but that it was not introduced here because of lack of parliamentary time. Since parliamentary time no longer appears so scarce, will the Minister introduce it here to help reunite families, many of whom are divided by some very rigid and inflexible rules?

Caroline Nokes: As I said, we are listening to calls to extend family reunion and are watching the two private Members' Bills very closely. The right hon. Gentleman's question is of course one for business managers, who I am sure will heed his calls.

Andrew Bridgen (North West Leicestershire) (Con): Is my right hon. Friend as concerned as I am that in designing a refugee family reunion policy we do not create incentives that encourage even more people to leave their homes and undertake an extremely dangerous journey in the hope they will bring the rest of their relatives to our country at a later date?

Caroline Nokes: My hon. Friend rightly raises the Government's concern that allowing children to sponsor close family members might create incentives for more children to be encouraged or even forced to leave their families and risk a hazardous journey to the UK in order to sponsor relatives at a later date. I am sure he agrees that we absolutely want to avoid that because it could play into the hands of criminal gangs already exploiting vulnerable people.

Immigration System

6. **Bill Grant** (Ayr, Carrick and Cumnock) (Con): What plans he has for the UK's future immigration system. [911213]

The Secretary of State for the Home Department (Sajid Javid): In December 2018 the Government set out their proposals for a future immigration system in a White Paper, "The UK's future skills-based immigration system". The new system will be focused on those with the skills that the country needs, who will bring the most benefit to the United Kingdom.

Bill Grant: My constituency needs migrant workers to support local industry—particularly, but not exclusively, in the health, hospitality, fishing and farming sectors. Will my right hon. Friend reassure my constituents that there will be sufficient flexibility in any post-Brexit immigration system to allow those sectors to flourish?

Sajid Javid: I am happy to give my hon. Friend that reassurance. We recognise that the future system must work for the valuable industries that make this nation great. We are working with many businesses and employers, including some in the sectors that my hon. Friend has listed, to ensure there is proper engagement which will achieve precisely what he has described.

Rosie Duffield (Canterbury) (Lab): On Thursday night, a 17-year-old schoolboy visiting Canterbury from Germany was violently attacked in our city centre. He is now fighting for his life. I thank the Home Secretary for intervening personally to enable the boy's family to travel to be at his bedside, and I am extremely grateful for his—and his team's—rapid response, kindness and hard work over the weekend. In the light of this awful incident, will he please reassure me that he is listening carefully to the grave concerns that are being expressed about the dwindling number of police on our streets?

Sajid Javid: I was very concerned to hear about that case when the hon. Lady contacted me, and I am pleased that the young man's parents are now at his bedside. I can give her the assurance for which she has asked. We have a big police funding settlement this year, which is leading to the biggest increase in police numbers since 2010.

Stephen Crabb (Preseli Pembrokeshire) (Con): I thank the Home Secretary for the support that he has expressed for the amendment drafted by our hon. Friend the Member for Orpington (Joseph Johnson), which has the support of many colleagues on both sides of the House, and which seeks to ease post-study work restrictions on overseas students. Does my right hon. Friend agree that not only is this an economically sensible and useful thing to do, but it will enhance UK soft power as we build global Britain?

Sajid Javid: My right hon. Friend is absolutely right. As he will know, we have already announced steps in that direction in the White Paper, because we want to make it easier for those who come from abroad to study in our universities to stay and continue to lead their lives in the UK. I do believe that we can go further, both

for our own economic benefit—indeed, I think, for our cultural benefit—and, certainly, for the benefit of our soft power.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): International students are vital not just for our exports, but for university funding and regional economies. Britain is lagging behind our main competitors in attracting the brightest and the best. What plans has the Home Secretary to add countries such as India to the list of states with fast-track access to tier 4 study permits to help to address that issue?

Sajid Javid: I very much agree with the hon. Gentleman about the importance of international students, including their importance as an export for our economy. He will be pleased to learn that there is no cap on the number of international students who can come to the UK, and that the number who came last year reached a record high. As for fast-track access for certain countries, we constantly keep that under review.

James Heappey (Wells) (Con): My constituent Ken Macharia is under threat of removal back to Kenya, where he will not be able to live openly as a gay man. In the month of Pride, it cannot be right for us to deny him the right to be who he is. More importantly, however, does the Home Secretary agree that Ken's sexuality should not be the issue? He came here to qualify as a mechanical engineer, and he therefore has skills that we urgently need for our economy. Should we not be letting him stay for that reason, irrespective of his sexuality?

Sajid Javid: I understand why my hon. Friend has raised this case, and I can assure him that the Home Office is taking it very seriously. He will, perhaps, appreciate that I cannot comment on an individual case, especially if it involves an application for a judicial review, but I can reassure him that in cases of this type, at the heart of decision making is the welfare of the individual concerned.

Joanna Cherry (Edinburgh South West) (SNP): As has already been pointed out, the Home Secretary has pledged that if he becomes Prime Minister he will reintroduce the post-study work visa. The university sector in Scotland, business, and my colleagues in the Scottish Government have been calling for its reintroduction for some years. The right hon. Gentleman is already Home Secretary, and he has the power to reintroduce it with full effect for Scotland today if he wants to, so will he make a commitment to do so?

Sajid Javid: That is exactly why the proposal is in the White Paper I published earlier this year.

Joanna Cherry: I am disappointed that the Home Secretary does not feel able to make that commitment, but I hope he will maybe follow through on it if he becomes Prime Minister.

May I ask the Home Secretary about something else that is very important to Members in all parts of this House? A recent freedom of information request from one of my colleagues in the Scottish Parliament revealed that 19 children and six pregnant women have been held at the privately run Dungavel detention centre since 2016, and this is despite the Government committing to end the detention of children at Dungavel. Can the Secretary of State explain how this has been allowed to happen and will he commit to ending indefinite detention as part of his future plans for the UK's immigration system?

Sajid Javid: On the hon. and learned Lady's first question, it sounds as though she has not read the White Paper yet because it talks about increasing post-study work permits. On the question about detention, we have a comprehensive and detailed policy on adults at risk; we constantly keep it under review, and when there are specific cases we will look at them very carefully.

Fire Services: Overnight Cover

7. **Mrs Emma Lewell-Buck** (South Shields) (Lab): What assessment he has made of the effect on safety of changes to overnight fire cover by fire services. [911214]

20. **Emma Dent Coad** (Kensington) (Lab): What assessment he has made of the effect on safety of changes to overnight fire cover by fire services. [911230]

The Minister for Policing and the Fire Service (Mr Nick Hurd): Operational decisions are for each fire and rescue authority to make as part of their work to assess local risk and manage and allocate resources according to their integrated risk management planning process. What we have done is reintroduce independent inspection by asking HMICFRS—Her Majesty's inspectorate of constabulary and fire and rescue services—to assess how effective each fire and rescue service is in responding to fires.

Mrs Lewell-Buck: I thank the Minister for his response, but the reality is that Government cuts are having a dangerous impact on safety. If Tyne and Wear's fire and rescue service funding does not increase, this year we could see overnight cover cut by 50% in South Tyneside, putting my constituents and our local firefighters' lives at risk. When will the Government increase funding to protect our lives?

Mr Hurd: I know there are strong feelings about the funding of Tyne and Wear fire service because we had a debate in Westminster Hall, and I have subsequently met Chris Lowther, the chief, to discuss that. Our view is that the fire service has the resources it needs to continue providing what is acknowledged to be a good service underpinned by very high levels of reserves, but we are approaching a comprehensive spending review in which we will be looking to continue to make sure that the fire service has the resources it needs to do its very difficult job.

Emma Dent Coad: In the Minister's response of 5 June to my letter about fire service funding he stated that all services had the capacity to respond to high-rise fires, yet the speed of the fire spread we saw yesterday in Barking was terrifying, and if that had happened at night people may well have lost their lives. Seconds count and seconds save lives; is the Minister truly convinced that he has done everything he can to keep people safe in their beds?

Mr Hurd: The whole House will understand the sensitivities of this subject, not least this week, and the fire was indeed extremely intense and unsettling. I congratulate the 100-odd firefighters who attended that scene on their success in getting the fire under control with no serious injury. In response to the hon. Lady's point, yes of course I take this extremely seriously. I have received assurances from the fire chiefs that the current arrangements around integrated risk planning, the requirements around mutual assistance and the national resilience are fit for purpose, but if anyone has hard evidence to undermine that my door is open.

Mr Philip Hollobone (Kettering) (Con): In Northamptonshire the fire service has been successfully integrated with the local police service, saving money on administrative overheads and providing more resources for frontline capabilities. Is the Minister going to encourage more such mergers?

Mr Hurd: The answer is yes, and I congratulate Steve Mold and the leadership in Northamptonshire on what they have done to show what can be achieved through really creative collaboration. This is not just about saving taxpayers' money; it is also about exploring the opportunities to deliver a better service to the public.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): We are approaching the third anniversary of the Grenfell Tower tragedy, which, as Members will know, happened overnight. The Grenfell residents had complained about their treatment by the Royal Borough of Kensington and Chelsea and had specifically highlighted the fire risks, but they were ignored. What steps have the Government taken to ensure that similar warnings from those who know most—the residents themselves—are heeded and acted on?

Mr Hurd: I think the right hon. Lady meant to say that it was the second anniversary, but of course the point she makes is a fundamental one that will be addressed in the statement that follows on the Government's response to the fire, not only on future arrangements for social housing and the regulation of that, but to ensure that the voice of tenants is a louder one and a respected one.

Firefighters: Health Screening

8. **Alex Cunningham** (Stockton North) (Lab): What recent discussions he has had with the Secretary of State for Health and Social Care on health screening for firefighters. [911215]

The Minister for Policing and the Fire Service (Mr Nick Hurd): The health and wellbeing of firefighters is of huge concern to the Home Office and to the sector leaders we are working with to support further progress in this area. As the hon. Gentleman knows, it is the responsibility of individual fire and rescue authorities, as employers, to ensure that health screening suitable for the risks faced is available to their firefighters.

Alex Cunningham: The stress facing our firefighters has grown considerably under this Government. We have fewer of them, and many have been replaced by retained firefighters, including in Cleveland. As we have heard, they face some of the most difficult circumstances. Does the Minister recognise the impact of those circumstances and stressors on the mental and physical health of firefighters? Will he tell me what the Government are going to do to fund health services properly for firemen?

Mr Hurd: I fully understand what the hon. Gentleman is saying. Firefighters are exposed to major risks and highly traumatic situations, as well as to contaminants and toxic agents, so it is even more important that local fire authorities have appropriate strategies in place and that they are properly resourced and, critically, inspected and assessed by independent inspectors, which is what we have introduced. In relation to resources, I come back to the main point that a spending review is imminent, and it will provide an opportunity to ensure that the fire service continues to have the resources it needs to do its job and support its people.

Tom Pursglove (Corby) (Con): Some of the things that those in our brave emergency services—whether in the police, the fire service or the ambulance service—are tasked with dealing with are truly horrific and have long-lasting impacts, particularly on family life. What work is being done to ensure that those in our emergency services are always able to access the very best mental health care?

Mr Hurd: My hon. Friend raises an extremely important point. There is a growing awareness and culture in the leadership across the police and fire services about the importance of the welfare and wellbeing agenda. That is why we have supported the first ever national wellbeing service, which is being developed and rolled out across that system, and why we continue to engage with the fire chiefs in order to be absolutely sure that, on top of the money we have provided for the blue light services and for mental health support, we are doing everything we can to ensure that those on the frontline of our response to emergencies are properly supported and that the old culture of "stay strong" can be challenged when it needs to be, because of the trauma that our first responders are often exposed to.

Karen Lee (Lincoln) (Lab): Two years on from Grenfell, firefighters and members of the community still have not been screened for fire-related toxic contamination. Speaking as a former nurse and the mother of a young woman who died of cancer, I find that genuinely unacceptable. Given the dangerous carcinogens that have been found in the area surrounding the building, the Government's inaction displays a reckless disregard for people's health, and I hope that the Minister is not going to pass the buck here. I should like to ask him to commit to undertaking a wide review of cancer rates among firefighters, and to consider implementing a national fire service cancer screening strategy. This is just too important for him not to.

Mr Hurd: I have a lot of sympathy for what the hon. Lady is saying. In relation to the Grenfell firefighters, that is something that I will of course take up with the London fire brigade. On the broader point, she is absolutely right to say that firefighters are exposed to contaminants and toxic agents. Exposure will vary, but I am sure she will be aware that past research has not

shown an increase in risk. However, this is a source of concern to us, and the fire chiefs have recently commissioned research from the University of Brighton. We will need to wait for that to conclude before agreeing the next steps in relation to the kind of comprehensive universal screening service that she has mentioned.

Counter-Terrorism

11. **Jack Lopresti** (Filton and Bradley Stoke) (Con): What steps he is taking to provide security and law enforcement organisations with the tools that they need to counter terrorism. [911218]

The Minister for Security and Economic Crime (Mr Ben Wallace): A review of powers was undertaken as part of our updated comprehensive counter-terrorism strategy, CONTEST, and the lessons learned from the attacks of 2016 and 2017 were incorporated. Following the review, the Government launched the Counter-Terrorism and Border Security Act, which received Royal Assent on 12 February 2019.

Jack Lopresti: Our security services are world class, but we know that co-ordination is key, so does my right hon. Friend agree that negotiating security co-operation with our European partners and neighbours and strengthening our alliances around the world should be top post-Brexit priorities?

Mr Wallace: Yes, I can reassure the House that intelligence sharing will go on unchanged. The relationship between intelligence services under national security, irrespective of our status within Europe, will not diminish, and the same goes for our status within the Five Eyes community—a strong partnership for intelligence. In addition, when it comes to law enforcement tools, our relationships are also underpinned by the 1957 Council of Europe convention on extradition and the 1959 European convention on mutual assistance in criminal matters, and those will continue no matter what the settlement is.

David Hanson (Delyn) (Lab): This weekend, the Home Secretary announced as part of his leadership bid a £500 million investment in border security in Northern Ireland, plus ongoing costs. Will the Minister agree to publish the proposals as soon as possible, so that they can be open to public and private scrutiny?

Mr Wallace: The right hon. Gentleman raises an important point about investment in our border. However, I had a quick discussion with the Home Secretary, who does not have the same recollection of what he announced at the weekend. I am sure that if the right hon. Gentleman writes to the Home Secretary, the Home Secretary will set out the position.

Joan Ryan (Enfield North) (Change UK): I was horrified to read that a Hezbollah bomb factory storing three tonnes of explosive materials was discovered in north-west London in 2015—three and a half years before the Home Secretary fully proscribed the antisemitic terror group. Why did the Government wait so long to act? Why were the public and MPs not informed, given the debates that we have had on this issue?

Mr Wallace: The right hon. Lady will know, as a former Home Office Minister, that we do not comment on intelligence operations for obvious reasons. In addition, if Hezbollah was behaving in that manner at that time, that would have been under its military wing, as it was classified, and that would have been an act of terrorism and, indeed, would have been subject to the proscription provisions. I therefore do not think that anything different would have happened. However, as the right hon. Lady knows, the Home Secretary recently moved to proscribe the entirety of Hezbollah, partly because of such cases.

EU Settlement Scheme

13. **Peter Grant** (Glenrothes) (SNP): What steps his Department is taking to promote the EU settlement scheme. [911221]

The Secretary of State for the Home Department (Sajid Javid): EU citizens are our friends, neighbours and colleagues, and we want them to stay. The EU settlement scheme enables them to do so, and we launched a £3.75 million marketing campaign in March to encourage them to apply.

Peter Grant: If these people genuinely are the Home Secretary's friends, colleagues and neighbours, perhaps the Government should start to treat them as such, instead of preparing to make them the victims of another Windrush-type scandal. The Home Affairs Committee recently reported that thousands of EU nationals in the UK run the risk of being left with an uncertain legal future. Does the Home Secretary not accept that it is time to get rid of the application and potential refusal system that they have just now and replace it with as a system of right to remain by declaration? That would leave the onus of proof on the Government if they think that someone should not be allowed to stay, instead of making the person prove that they can.

Sajid Javid: The settlement scheme is working incredibly well. To update the House, 800,000 applications have already been made since its launch, with almost 700,000 concluded. The hon. Gentleman mentions Windrush, and if he wants another Windrush, he should continue with the proposal that he just suggested.

Knife Crime

14. **Rushanara Ali** (Bethnal Green and Bow) (Lab): What steps he is taking to tackle the rising level of knife crime. [911223]

The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins): Just some of the actions we are taking to tackle knife crime include: strengthening the law through the Offensive Weapons Act 2019; establishing the national county lines co-ordination centre; consulting on a new duty to support a multi-agency public health approach; launching the £100 million serious violence fund in the spring statement; and providing new lesson plans to schools as part of our #knifefree campaign. We take careful note of the Metropolitan Police Commissioner's recent comments about knife crime levelling off, and I am sure we all support the police's efforts to tackle this.

Rushanara Ali: I thank the Minister for her answer, but there were 18,000 assaults and 17,000 robberies involving a knife or a sharp object in the year ending 2018. The Government have cut police officer numbers by 21,000, and two weeks ago there was a murder in Tower Hamlets due to a knife attack. Does she agree that the Home Secretary is not fit to be the next Prime Minister, considering that he has lost control of law and order in his Department?

Victoria Atkins: I have to say that I think this is such a serious subject—I understand the hon. Lady's comments about her constituency—but I do not think this is the appropriate forum to make those sorts of comments. What I do know is that the Government, working with the police, local authorities, the medical profession and educationalists, are doing everything we can not just to tackle the causes of knife crime through law enforcement efforts but to intervene early to stop young people carrying knives before they take that terrible step, which can affect not only their lives but other families and communities.

Mr Speaker: The hon. Member for Blaenau Gwent (Nick Smith) is welcome to shoehorn his inquiry, Question 16, conveniently into Question 14, if he so wishes, but it is not obligatory.

16. [911226] **Nick Smith** (Blaenau Gwent) (Lab): I have been working with Gwent police and local residents regarding alleged criminality in the village of Cwm. The local police have been great, but clearer 101 call information would ease victims' concerns. May I ask the Home Secretary to encourage the police to provide more detailed call centre data, including out-of-hours response times and geographic information, for better public involvement and support for our police services?

Victoria Atkins: I am very happy to look into that. The hon. Gentleman will know that, through the Anti-social Behaviour, Crime and Policing Act 2014, there are six powers available to the police and to local authorities and agencies to tackle, in a flexible way, the terrible crimes that can be occasioned by antisocial behaviour.

Mrs Anne Main (St Albans) (Con): Piggybacking on the shoehorn, so to speak, farmers are often victims of rural crime, antisocial behaviour, fly-tipping and the theft of farm machinery. What more is going to be done to help to tackle rural crime?

Victoria Atkins: As the proud Member of Parliament for one of the most rural constituencies in England, I know only too well the trouble that farmers and landowners can have with antisocial behaviour, including, for example, hare coursing. A range of powers is available to the police, depending on the type of criminality involved. I am very happy to involve my hon. Friend in the discussions we are currently having to see what more we can do to tackle hare coursing in particular.

Inshore Fishing Boats: Non-EEA Workers

15. **Douglas Ross** (Moray) (Con): What recent progress he has made in enabling the fishing industry to employ non-EEA workers on inshore fishing boats. [911225]

The Minister for Immigration (Caroline Nokes): As part of the future borders and immigration system, we have launched a year-long engagement programme to seek the views of stakeholders, including the fishing industry, and I am listening very carefully to what they have to say. I have met representatives of the industry on several occasions, as has my right hon. Friend the Home Secretary, and we are reflecting on the views expressed.

Douglas Ross: The Minister has previously said that:

"there was no case for schemes for particular sectors in the immigration system, other than agriculture, which has some unique characteristics."—[*Official Report*, 8 April 2019; Vol. 658, c. 153.]

I am sure the Minister and everyone accepts that the fishing industry has unique characteristics as well. Although we want local labour to do these jobs in future, they are not ready and able to do them now. Will she look again at this with an open mind, because our fishermen are crying out for a solution?

Caroline Nokes: I reassure my hon. Friend that I was quoting the Migration Advisory Committee when I said that agriculture is a unique sector with characteristics that justify the sectoral scheme, and the Government have certainly listened to that advice. He will know that we are undertaking a year of engagement as part of the proposals set out in the immigration White Paper, and no final decision will be taken on the future system until that is complete.

Mr Speaker: In calling the hon. Member for Na h-Eileanan an Iar (Angus Brendan MacNeil), I am calling no less a figure than the Chair of the International Trade Committee.

Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): That is much appreciated, Mr Speaker. This cuts across the Department for International Trade, of course, and I have a constituency interest.

The Minister talks about a year-long engagement. She told me the very same last May. She said that the Home Office would reflect and ask industry for its views. We hear the same rhetoric today. It is quite simple: she should go to her boss, the Home Secretary—a man who needs to show leadership at the moment—and ask him to lift his pen and get fishing boats working on the west coast of Scotland. It will happen that easily. Get it shifted, make it happen, and make it happen this year. We do not want another year-long engagement.

Caroline Nokes: I thank the hon. Gentleman for his question. I do not think I have quite recovered from him appearing in my office asking me to write visas on the back of an envelope for those whom he deemed to be appropriate. It is important that the Home Secretary and I listen to all sectors, take the time to reflect on the advice received from the Migration Advisory Committee and the proposals set out in the White Paper, and make sure that we make the right decision, not simply the decision that the hon. Gentleman is demanding.

Asylum Application Process

17. **Catherine West** (Hornsey and Wood Green) (Lab): What steps he is taking to improve the asylum application process. [911227]

The Secretary of State for the Home Department (Sajid Javid): The Home Office is committed to ensuring that asylum claims are considered and protection is granted, where necessary, as soon as possible. We have ambitious plans to improve the system, including developing new service standards to ensure that cases with acute vulnerability are prioritised.

Catherine West: Last December, the Home Secretary said that he would look into lifting the ban on asylum seekers working. Will he please set out his view on whether or not asylum seekers should have the right to work after they have lodged their applications?

Sajid Javid: The hon. Lady will know that in certain circumstances asylum seekers can work: after a year and if the occupation is on the shortage occupation list. She is right: I have said that. We continue to look at how we can change this and how we can expand those rights potentially. That work is under review and we will report to the House in due course.

Emergency Services Network: National Audit Office Report

18. **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): What assessment he has made of the implications for his policies of the May 2019 NAO report entitled "Progress delivering the Emergency Services Network". [911228]

The Minister for Policing and the Fire Service (Mr Nick Hurd): Frankly, we welcome all scrutiny of the emergency services network. It remains an extremely ambitious and very challenging programme, but our intent remains the same: to make sure that our emergency workers have access to the best available communications network. We still believe that the benefits are there.

Chi Onwurah: I have been raising this issue since 2013, when it became apparent that the Home Office was prioritising cost-cutting over the resilience of the communication network that enables our police officers, fire officers and ambulance crews to save lives. This is years late and billions overspent, so when are we going to have a proper plan to deliver this essential network? Will the Minister compensate police forces for the extra they are having to spend because of his incompetence?

Mr Hurd: Our plans have been set out and will continue to be available for scrutiny. The funding of forces will be dealt with through the spending review, but I push back on the hon. Lady's premise. This has not been primarily just about reducing the costs of the Airwave contract, although that is real. It is also about making sure that 300,000 emergency workers have access to the most resilient, most modern emergency communications network. That is exactly what we intend to deliver.

Antisocial Behaviour

19. **Tom Brake** (Carshalton and Wallington) (LD): What steps he is taking to tackle the recent increase in levels of antisocial behaviour. [911229]

The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins): We are committed to tackling antisocial behaviour, which is why we reformed the powers available to local areas through the Anti-social Behaviour, Crime and Policing Act 2014. Although we recognise there has been a small increase in the number of people who have experienced or witnessed antisocial behaviour in their local area, we would expect local areas to use the powers in the Act to tackle ASB.

Tom Brake: The Minister is correct; more than a third of respondents to the latest crime survey have experienced or witnessed ASB. Whether we are talking about drug dealing, vandalism, or people riding motorbikes or quad bikes in public places, for example in our parks, it has a real, damaging effect on people's lives. Will she therefore support Lib Dem calls to invest more in community policing? Will she also publicise more effectively the community trigger, so that people know that it exists?

Victoria Atkins: I thank the right hon. Gentleman for raising the point about the community trigger. We, as constituency MPs, can really help to publicise the power of the community trigger and how members of the public can use it to review decisions with which they do not agree. On police funding, he will know that we have just voted through up to an extra £1 billion, with the help of police and crime commissioners, to put into policing. Of course the Home Secretary has set out his commitment to resources as well.

Mark Pawsey (Rugby) (Con): Question 22.

Mr Speaker: You can come in on this one, man; vehicle crime is manifestly antisocial behaviour.

22. [911232] **Mark Pawsey:** Very well, Mr Speaker. I recently met two distressed constituents who had confronted a gang inside their home who were trying to steal the keys to their car. Prompt action by Warwickshire police prevented anything too serious from happening, but what steps are the Government taking to prevent crime of this nature?

Victoria Atkins: I am concerned to hear of the experience of my hon. Friend's constituents. He is right to ask about vehicle theft and the terrible impact it can have on victims. Vehicle theft is a priority of my right hon. Friend the Minister for Policing; indeed, he is bringing together industry, the police and others to help to ensure that the response to vehicle theft is as robust and technologically up-to-date as it can be.

Topical Questions

T1. [911233] **Jo Swinson** (East Dunbartonshire) (LD): If he will make a statement on his departmental responsibilities.

The Secretary of State for the Home Department (Sajid Javid): As we approach the second anniversary of the Grenfell Tower fire, our thoughts are with the families of the victims and everyone affected by the tragedy.

We continue to increase support for the police and victims of crime. More money has been made available to tackle serious violence, with further allocations to the worst-hit police forces from the £100 million fund. We are making calls to the 101 non-emergency number free from April 2020. I have announced plans to change

the law to give trained police drivers more confidence to pursue suspects, better protected from the risk of prosecution.

Jo Swinson: In his remarks about facial recognition technology earlier, the Minister for Policing rightly spoke about the need to take the public with us. Does the Secretary of State recognise that the imposition of Big Brother-style surveillance and fining people for covering their face with their coat is no way to secure the public's trust? Will the Government halt the use of live facial recognition technology in policing until there has been a proper public debate, Parliament has considered a framework and there are civil liberties safeguards?

Sajid Javid: I am sure the hon. Lady will agree that it is absolutely right that the police, and those involved in law enforcement more generally, take advantage of changes in technology. Facial recognition is one of the technologies that are advancing and it is right that we test it properly. Police forces are piloting its use. The whole point of a pilot is to look at the results and then determine whether it makes sense to take the pilot forward. That may well include the need for proper guidance and perhaps even legislation.

T2. [911234] **Mrs Pauline Latham** (Mid Derbyshire) (Con): Is my right hon. Friend aware that the current legal age for marriage in the UK, 16, can lead to exploitation in the form of forced marriages?

Sajid Javid: I am very much aware of that. Forced marriage is of course a terrible form of abuse. The Government have introduced a range of measures to tackle the crime, including the creation of a specific forced marriage offence and the criminalisation of the breach of a forced marriage protection order. My hon. Friend raised the important issue of under-18 marriages. It is right that we consider our position, which is under review.

Carolyn Harris (Swansea East) (Lab): The Government's call for evidence on violence and abuse towards shop staff is welcome. However, research by the Charity Retail Association shows that more than a quarter of charity shops are reporting an increase in incidents of violence or verbal abuse against their volunteers. Will the Minister commit to ensuring that retail volunteers are included in the review and that they, too, will benefit from any proposed protections?

The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins): The statistic the hon. Lady cited is sobering. I see no reason why charity shops should not be included in the review. I encourage all Members of Parliament to advertise the call for evidence, which we are holding precisely because we want to find out the nature and extent of the problem. I very much look forward to discussing it with the hon. Lady in due course.

T7. [911239] **Mark Menzies** (Fylde) (Con): What measures is the Home Office taking to increase police funding and get more officers on the streets of Fylde?

The Minister for Policing and the Fire Service (Mr Nick Hurd): My hon. Friend has been persistent in making the case for more funding for Lancashire police, so he will welcome the additional £18.4 million of cash in 2019-20, on top of the exceptional grant for the costs of fracking. Chief Constable Andy Rhodes is recruiting additional officers, and I know that my hon. Friend will play his full part in lobbying the police and crime commissioner and Andy to make sure that Fylde gets its fair share of that additional resource.

T3. [911235] **Stephen Morgan** (Portsmouth South) (Lab): With theatre productions cancelled, couples attacked on public transport and hate speech spouted outside schools, what is the Home Secretary doing ahead of Portsmouth Pride to protect the LGBT+ community?

Sajid Javid: The hon. Gentleman is absolutely right to raise this issue. I am sure he has in mind the horrific attack that was reported at the weekend and that I condemn in the absolute strongest terms. There is no place in our society for such hate crime. My understanding in respect of that particular incident is that the Met has arrested five individuals. The Government are absolutely committed to tackling all forms of hate crime, including LGBT hate crime, and we will continue to do all we can.

T9. [911241] **Kirstene Hair** (Angus) (Con): I warmly welcomed the implementation of the seasonal agricultural workers pilot scheme that was launched this year, but does the Minister agree that we need to review that scheme this year as opposed to waiting for another year? We know that it works and we know that our soft fruit farms need it. We should have it made permanent and extended as soon as possible.

Sajid Javid: First, I thank my hon. Friend for the work that she has already done to bring this about. She was one of the Members of the House to make the case for the scheme so powerfully and that is exactly why we have it. The intention is to see how it works while we have freedom of movement, but she has raised an important point. I think that it is worth considering an earlier review and I will be happy to discuss it with her.

T4. [911236] **Mr Tanmanjeet Singh Dhesi** (Slough) (Lab): Can the Secretary of State advise us: what costs have been incurred to date by the Home Department in preparation for a no-deal exit from the European Union?

Sajid Javid: The Home Office has been preparing for a potential no-deal exit, not because it is what anyone expects or wants, but because it is the responsible thing to do. I cannot tell the hon. Gentleman right here and now what the total costs are, but I am happy to write to him with more detail. But it is right that we make these preparations, whether they are for border issues, immigration issues or customs and security.

Tom Pursglove (Corby) (Con): The strong message that came out of the referendum is that people want an immigration system that provides control, but they also want an immigration system that is underpinned by the principle of fairness, where everybody is treated equally, regardless of where they come from in the world. Is the Minister confident that the new system that we put in place will deliver on both those objectives?

The Minister for Immigration (Caroline Nokes): I thank my hon. Friend for that question. That is absolutely the principle underpinning the proposals put forward in the White Paper, which was published in December last year. We want to have a single immigration system that treats everybody from every country according to the skills and talents that they can bring to the United Kingdom, not one based on where they come from.

T6. [911238] **Jeff Smith** (Manchester, Withington) (Lab): The Carol Black review of drugs is specifically not considering legislative reform, but that may be exactly what we need to address the violence and harm associated with the drug market, so will the Secretary of State look again at the terms of reference of the review and at least consider that as in the scope of part two of the review?

Sajid Javid: The independent review of drugs misuse to which the hon. Gentleman refers is, I think it is fair to say, the most comprehensive review that has ever been commissioned on such a subject by a Government. It has a broad remit and, when Dame Carol Black reports back—I think there will be an interim report this summer—we will take it very seriously.

T8. [911240] **Kerry McCarthy** (Bristol East) (Lab): The Home Secretary might not be aware of this, but he did rather upset people when he last spoke about his childhood in east Bristol. May I urge him to look at what the police are doing there with the early intervention and diversion scheme, which has had a 90% success rate in turning young people away from involvement in gangs and drug crime?

Sajid Javid: If I understood the hon. Lady correctly, she is referring to my comments about Stapleton Road, but I was referring to the Stapleton Road that I knew 40 years ago and I do accept that things have moved on. In fact, I was at Stapleton Road just a few days ago. I very much enjoyed myself and met some of the local residents, which was fantastic.

Mr Speaker: One always has to be careful about what one says about Bristol. For my own part, I fought the Bristol South constituency in 1992, but the good news for Bristol and perhaps for the nation was that Bristol South fought back.

T10. [911242] **Laura Smith** (Crewe and Nantwich) (Lab): What recent assessment has the Secretary of State made regarding the number of girls and women being sexually exploited in connection with county lines drug trafficking, and what steps is his Department taking to tackle this specific problem?

Victoria Atkins: I am grateful to the hon. Lady for that question. She is right to identify the fact that there is emerging evidence that gangs are ensnaring girls, in particular to rape them, but also to conceal weapons and drugs for the larger gang. If I may, I will write to her with the precise details. I am pleased that she has raised this because we tend to think of male members of gangs, but she is absolutely right to remind us that this includes girls as well.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Can I give the Minister a brief message from my constituents? They say that perpetrators of organised crime are constantly improving their ability to use new technologies to defraud them, and they have no resistance to having the best and most modern technology possible in the fight against crime.

The Minister for Security and Economic Crime (Mr Ben Wallace): One of the biggest challenges is how to get ahead of organised crime. Organised crime uses technology to organise better, and we need to organise better to counter it. The hon. Gentleman will have heard the different views in this House about technology and surveillance, and it is important to get the balance right. Members should be under no illusion that technology is giving the very baddest people in our society a real advantage, and that takes long-term investment to address.

Tonia Antoniazzi (Gower) (Lab): Last Thursday, I travelled to the Netherlands with Teagan Appleby's mother, Emma, to pick up the medical cannabis that has reduced Teagan's seizures from 300 to four a day. In the absence of NHS prescribing, parents like Emma are having to go abroad, or pay exorbitant import and pharmacy charges. Emma had a UK prescription, so met the criteria presented to her at border control to the letter. Why, then, did the Home Office make UK Border Force detain the medicinal cannabis that Teagan so desperately needs?

Sajid Javid: The hon. Lady will know that I took immediate action to change the law to make medical cannabis available when I first heard about young children who are drug resistant and have severe epilepsy. But rightly—even with that change—it is necessary for a clinician to be involved and for a prescription to be given. Although medical cannabis is now legal with a clinician's approval, it is still a controlled drug and it is necessary to have some controls to minimise the risk of misuse, harm and diversion. I am very sympathetic to the case that the hon. Lady has raised. We are discussing it with the Department of Health and Social Care and will do all we can to help.

Several hon. Members *rose—*

Mr Speaker: Very, very brief questions because we cannot keep people waiting indefinitely.

Vicky Foxcroft (Lewisham, Deptford) (Lab): Scotland had a 10-year strategy to develop a public health approach to tackle violence, although people in Scotland would argue that it should have been a 15 or 20-year strategy. Will the Government show us how serious they are about taking a public health approach to this issue by committing to a 20-year strategy from the start?

Sajid Javid: Earlier I mentioned the consultation, which—to correct the record—closed at the end of May. I hope that the hon. Lady will input into that consultation. If she has made that suggestion to the consultation, we will be taking it very seriously.

Several hon. Members *rose—*

Mr Speaker: I do not want to spawn intra-family discord. We have heard a voice from Lewisham, so we have to hear a voice from Leyton; I call John Cryer.

John Cryer (Leyton and Wanstead) (Lab): Thank you, Mr Speaker.

Further to Question 7, it is widely known that fire crewing per pump has been cut across the country from five to four, and even from four to three. Although we all know that this is an operational matter, is not the safety of firefighters a ministerial matter as well?

Mr Hurd: The safety of firefighters is of huge interest to Ministers, and it is something that we do keep an eye on, but the hon. Gentleman is right in his fundamental point: these operating decisions are best taken locally. *[Interruption.]* He makes a face, but we cannot have a Minister sitting here and making judgments on what is right when it comes to allocating resources to risk in Cleveland, Cumbria or anywhere else.

Several hon. Members *rose—*

Mr Speaker: I am sorry to disappoint colleagues, but we have time for only one more question. I call Alison Thewliss.

Alison Thewliss (Glasgow Central) (SNP): Thank you, Mr Speaker.

My constituent, Eryaar Popalzai, came to the UK from Afghanistan at the age of 14 some five years ago, as an unaccompanied minor asylum seeker. Since his further submissions in 2017, he has yet to hear anything from the Home Office. He is an incredibly vulnerable young man and has been getting therapy from Freedom from Torture for three years. What do I tell him when he comes to my surgery this Friday?

Caroline Nokes: I am happy to take up this specific case with the hon. Lady after questions, if she would like. One of the changes that the Home Office has made over the course of the past few weeks is to ensure that we are prioritising older cases and cases of more vulnerable asylum seekers, so that we can get through the backlog of cases and ensure that people such as her constituent get a response.

NEW MEMBER

The following Member made and subscribed the Affirmation required by law:

Lisa Forbes, for Peterborough.

Murders in Northamptonshire: Serious Case Reviews

3.40 pm

Andrew Gwynne (Denton and Reddish) (Lab) *(Urgent Question)*: To ask the Secretary of State for Education if he will make a statement on the findings of two serious case reviews into the murders of two toddlers in Northamptonshire.

The Parliamentary Under-Secretary of State for Education (Nadhim Zahawi): The deaths of Dylan in 2017 and Evelyn-Rose in 2018 were both tragic and, indeed, horrific. Separate serious case reviews were published on 5 June this year by Northamptonshire's local safeguarding children board. The serious case reviews highlight serious weaknesses in child safeguarding practice and partnership arrangements at those times, and together make 16 recommendations for Northamptonshire and its safeguarding partners to implement.

These events have highlighted the serious systemic issues in Northamptonshire. I want to assure the House that we have already begun taking action. Since those deaths, and following an Ofsted focused visit in 2018 that exposed a more general decline in the quality of services, my Department has appointed a highly experienced commissioner, Malcolm Newsam CBE, to ensure that improvements take place, and has increased improvement support from Lincolnshire County Council—one of the best in the country for children's social care. The commissioner has already identified six priority areas for significant improvement to effectively improve outcomes for children. He has identified the importance of learning from the tragic deaths of these two young children and others. I have written to Malcolm today to ask that he continue to put learning from Dylan and Evelyn-Rose's deaths and the recommendations from these reviews firmly into his future work.

I have already set out my intention, on the recommendation of the commissioner, to create an operationally independent children's service trust serving Northamptonshire to drive improvement in services. I can announce to the House today that I have issued a statutory direction to the council to work with the commissioner on the creation of that trust by July 2020.

Andrew Gwynne: Thank you, Mr Speaker, for granting this urgent question on these horrific and tragic cases. I thank the Minister for his heartfelt response. I also thank the shadow Leader of the House, my hon. Friend the Member for Walsall South (Valerie Vaz), for highlighting this issue to the Government during business questions last Thursday.

Last week, two serious case reviews were published in Northamptonshire on the deaths of these two toddlers. Both these very young children were systematically let down by the local authority, Northamptonshire County Council—an institution that was supposedly there to protect them. The reports examined the deaths of Dylan Tiffin-Brown, aged two, when he died of a cardiac failure after his father assaulted him in December 2017, and Evelyn-Rose Muggleton, aged one, when she died in hospital days after being assaulted by her mother's partner in April 2018.

I hope that we will now see—I believe that we will—Ministers use everything in their power to ensure that this public institution does not fail children again and to prevent other tragedies from happening elsewhere.

[Andrew Gwynne]

I note that a serious case review into the death of a third child remains confidential. The review looked into the case of a boy from Northampton who was locked in a room, beaten and abused. The parents were jailed for neglect last month, with professionals describing it as the worst case of child cruelty that they had seen in 25 years.

The two published reviews highlight key misjudgements from staff about the level of danger posed by the men to the two children and failures to act on warnings that the children were at risk. Northamptonshire safeguarding children board said that there were "lost opportunities" leading up to the murders and that the two children's safety was "seriously undermined" after the significance of the killers' criminal past and history of domestic abuse was overlooked by agencies.

Dylan died aged two after sustaining 39 injuries to his face, neck, torso and limbs, including 15 rib fractures and lacerations to his liver. After a sustained beating at home by his father—a drug dealer from Northampton who was convicted of murder in October 2018—a post-mortem found cocaine, heroin and cannabis in the two-year-old's body at the time of death. No social worker saw Dylan in the two months between his being discovered at his father's home during a police drugs raid and his death at his father's hands.

Evelyn-Rose, aged one, died three days after sustaining a traumatic brain injury from her mother's partner. She had received multiple bruising and bleeding injuries, including damage to her spine and both eyes. Social care and health agencies that had been involved with the family had failed to recognise the neglect that was taking place. The safeguarding children board stated that two social workers had been allocated to the case, but that the case had started to

"drift, with little if any attention being paid to the children's welfare".

Sadly, Northamptonshire's children's services have been on the radar since the severe financial troubles at the county council overwhelmed the local authority. The county's children's services were said to have "substantially declined" when inspectors were called in during last October's visit and that a "fundamental shift" in culture was required—something that the Minister acknowledges. Given that, can he assure the House that the financial problems at Northamptonshire are not further jeopardising or worsening the provision of children's services across the county? If he finds that they are, what representations will he make to Ministers in the Ministry of Housing, Communities and Local Government, to ensure that Northamptonshire has the resources it needs? Is he assured—

Mr Speaker: Order. I am loth to interrupt, because the hon. Gentleman is treating of a matter of the utmost gravity, and I respect that, but I am afraid he has taken two and a half times his allotted time. I feel sure that he is reaching his peroration, which will be of formidable eloquence and brief.

Andrew Gwynne: Thank you, Mr Speaker. These are very serious matters. Is the Minister assured that the authority is able to finance improvements to children's services both now and during the reorganisation, including the transfer to the trust that he mentioned, and to implement the improvements needed to put right these severe service failings? Lastly, will he intervene and ensure full transparency on the third serious case review, which remains unpublished? This matter is so severe and so serious that every opportunity must now be taken to act.

Nadhim Zahawi: Let me take the last point first, about the third serious case review. Our statutory guidance is clear that local safeguarding children boards must let the independent Child Safeguarding Practice Review Panel—the panel, as I will refer to it—and the Department for Education and Ofsted know of any decisions about a serious case review initiation and publication, including the name of any reviewer commissioned, as soon as they have made a final decision. The local safeguarding children board should also set out for the panel and the Secretary of State the justification for any decisions not to initiate or publish a serious case review. They should send copies of all serious case reviews to the panel, the DFE and Ofsted at least seven working days before publication.

There has been and continues to be a great deal of debate about the transparency of the child protection system in England, but there is a presumption that all serious case review reports are published. That is why local safeguarding children boards and the new safeguarding partnerships are required to send copies of all serious case reviews to the panel, the DFE and Ofsted within at least seven days, as I have mentioned. At that point, they would need to provide justification for any decision not to publish the report. The panel has not yet received the draft serious case review in relation to child JL.[1] Once the draft serious case review is received, the panel will consider carefully if there is any justification for not publishing the report. I hope that reassures the hon. Gentleman.

On our work with the MHCLG, the hon. Gentleman can see that my colleague the Under-Secretary of State for Housing, Communities and Local Government, my hon. Friend the Member for Richmond (Yorks) (Rishi Sunak), is on the Front Bench, and we take our work together very seriously. We are working towards the spending review and making sure that funding for children's services is adequate. Overall, if we look at England, local authorities have made some tough decisions, but they have actually protected the funding for children's services. I can give the hon. Gentleman the reassurance that working with Malcolm Newsam, with the recommendations he has made for me and the trust that we will be delivering for all Northamptonshire's children, will be the best way forward.

Chris Heaton-Harris (Daventry) (Con): I thank the Minister and, indeed, the Opposition spokesman, the hon. Member for Denton and Reddish (Andrew Gwynne), for the way they have treated this matter in the House today.

It is with great sadness and a sense of shock that I and others have read these serious case reviews. I have been here since 2010 and, unfortunately, throughout that time I have been raising concerns and cases with the local authority—Northampton's children's social services—that have caused me great concern. I am going to see Malcolm Newsam, whose appointment as the Government-appointed children's commissioner I really do welcome, next week to discuss a number of current cases that I have. Throughout the various reviews and reports we have had on these issues, a serious lack

1. *[Official Report, 23 July 2019, Vol. 663, c. 13MC.]*

of challenge and reporting has been highlighted in every single one. Can my hon. Friend explain to my constituents why these lessons have yet not been learned?

Nadhim Zahawi: My hon. Friend raises a very powerful point. All I can say to him is that my Department triggered our intervention powers immediately when those concerns in relation to children's services were raised with me. I hope that, after his meeting with Malcolm Newsam, he will be reassured that we have the right commissioner in there. We are taking those steps, and I have mentioned the direction I have made to the local authority.

Layla Moran (Oxford West and Abingdon) (LD): It is impossible not to be moved by these stories. As the saying goes, it takes a community not just to raise, but to protect a child. Surely, early intervention must also be at the heart of all these stories. In Oxfordshire, over 30 children's centres used to exist; now there are just eight hubs, many of which are far too far away from the most deprived communities. Given how important these centres are and the fact that groups such as Abingdon Carousel have needed to raise funds from county and town councils to keep centres open for a very limited period, will the Minister robustly make the case in the upcoming spending review for why children's centres are so important to prevent children from getting into this situation?

Nadhim Zahawi: The hon. Lady raises the issue of children's centres. I hope that she would commend the troubled families programme, which has reduced by a third the number of children needing to be taken into care. We have announced the strengthening families programme, in which we are scaling up the whole-system approach to children's services and childcare from Leeds, North Yorkshire and Hertfordshire and investing £84 million to scale that up to another 20 local authorities. They have made it very clear to me that very much part of that whole-system approach is the troubled families programme work that they do.

The hon. Lady also mentioned children's centres. I am looking at how local authorities make best use of their infrastructure, including children's centres. Local government—local authorities, local leaders—is best placed to decide how it does that. Staffordshire, which chose to close more than 60 children's centres, but keep 14 in the areas most promising for reaching the most difficult-to-reach families, has delivered much better outcomes because it has used that resource. It has not taken it away; it has used it for outreach, to go and knock on the doors of families who would never think of coming into a building run by a local authority. There are different models, but we are looking to learn from the best models, including some of the family hubs in places such as Westminster.

Mr Philip Hollobone (Kettering) (Con): I thank the shadow Minister for requesting this urgent question and you, Mr Speaker, for granting it. These are among the most serious issues that anyone in this House could discuss. Evelyn-Rose Muggleton was just one when she was murdered by her mother's partner. She died in hospital. Evelyn-Rose and her siblings were well known to the local hospital, the local GP and other services, and this clearly was a family in urgent need of assistance from the local authority. Sadly that was not forthcoming. Responsibility for this must rest with Northamptonshire County Council, which has been dysfunctional for many years, but particularly in children's social services. This must never happen again, and I welcome the Government's commitment to put those services into a children's trust. That is welcome, but the public in Kettering will want to know who is going to take responsibility for this appalling tragedy, and I am afraid that the answer must be the local councillor in charge of children's social services at the time. That individual now happens to be the leader of Northamptonshire County Council. He is a good man, and he is working very hard to transform the county council into the two new unitaries, but I believe, and my constituents believe, that the buck must stop with the person at the top. Will the Minister therefore join me in calling for Councillor Matt Golby to resign his position as leader of Northamptonshire County Council?

Nadhim Zahawi: I thank my hon. Friend for his question. He spoke powerfully about the injuries that these poor souls sustained and about how they were well known to other services. We legislated in the Children and Social Work Act 2017 to require local areas to establish new, much stronger multi-agency safeguarding arrangements, which I think will enhance the protective net around our most vulnerable children. That includes the police and health as statutory partners. Safeguarding partners in Northamptonshire must publish a plan setting out how they will deliver those arrangements by 29 June and must implement them by 29 September. My Department is monitoring compliance, and we will be asking those partners to work swiftly and collectively to ensure that lessons have been learnt and implemented.

My hon. Friend will forgive me if I do not comment on the local political leadership. What I would like to see now is us moving forward with Malcolm Newsam's recommendations and getting the trust up and running as quickly as possible.

Thangam Debbonaire (Bristol West) (Lab): I thank my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) and the Minister for their approach and their responses to this horrific example of child abuse. The connections between the abuse of women and the abuse of children are unfortunately long known, and I am afraid that I could give several similar examples from when I was national children's officer at Women's Aid in the 1990s. I have heard previous Ministers and previous Governments say that lessons would be learnt and action taken, yet here we still are. I therefore ask the Minister respectfully, will he work with domestic violence organisations, as well as other organisations of course, to try to really learn the lessons that should be learnt about the connections between abuse by violent men of their children and abuse of their female partners?

Nadhim Zahawi: The hon. Lady makes a powerful and well-made point. There is, if not causation, then certainly a correlation between people who abuse and hurt children and those who abuse and hurt women. I try to make sure that we learn as much as possible and that we act as quickly as possible, as I think we have in this case.

Tom Pursglove (Corby) (Con): These cases are truly harrowing and nothing will ever bring back the young children who so tragically lost their lives at the hands of those who were supposed to be caring for them. I think we are all clear, both locally in Northamptonshire and

[Tom Pursglove]

here in this House, that this can never, ever be allowed to happen again. What steps are being taken to ensure that best practice from other parts of the country is being learnt as a matter of urgency in Northamptonshire to overhaul its children's services? What ongoing monitoring of those services will be taking place to give my constituents in Corby and east Northamptonshire confidence that in future we will have first class children's services that protect the young people in their care?

Nadhim Zahawi: I am very grateful to my hon. Friend for his question. I hope he heard me say earlier that we have Malcolm Newsam. In conjunction with Malcom we have Lincolnshire County Council, which is one of our exemplars in delivering the best services and safeguarding children. The important thing to remember in this case is that we must always ensure that the safety of children comes first. We know that poor practice can cost more money, not less, in the longer term. The director of children's services has been clear in her statements that funding was not the cause of these tragic incidents, and that system, practice and partnership was where it needs to be. The important thing is that we get on.

In Doncaster, I saw at first hand how children's services can be transformed. They went from failing with very poor outcomes, to good outcomes for children when we put it into trust. I met the social workers on the frontline, and 70% of them are the same people who were there when the local authority was failing. I said, "I want all the directors out of the room. I want to talk to just the frontline." I said to them, "What is the difference here? What have you done here that has transformed the service? You are the same people who were here when it was failing." They said it was all about leadership: leadership that supported, trusted and nurtured them, and delivered that support for them. Those are the sorts of lessons we need to learn in order to be able to deliver the same level of success as Doncaster.

Ms Angela Eagle (Wallasey) (Lab): Funding may not have had a direct effect, but surely the Minister needs to recognise that, with the huge cuts to local authorities and a national shortage of well-qualified social workers putting enormous pressure on social services systems around the country, we are seeing a crisis in one area responded to by putting in extra money and bidding up social workers' wages, allowing them to move to solve one problem but creating gaps in other areas. Surely the Minister needs to take a much more systemic view of what is going on in social services up and down the country, and recognise that funding is an issue.

Nadhim Zahawi: I think—I hope—I have been clear in saying that I recognise there are funding pressures on children's services. I am working with the director of children's services and the sector as a whole in preparation for the spending review. However, to simply characterise this as a funding issue would be misleading. We have to do both things. We have to have a whole-system approach. We are learning from the best—Leeds, North Yorkshire and Hertfordshire—and scaling those models from those three local authorities to 20. We also have to look at the workforce, and by introducing the national accreditation assessment process and Social Work England we begin to deliver a system that really does work to protect the most vulnerable children and families in our society.

Tim Loughton (East Worthing and Shoreham) (Con): I speak as a former Minister who changed the rules so that SCRs are published. The regulations are clear that if publication would compromise the welfare of a surviving child or sibling, they should be kept confidential. From reading these serious case reviews, I feel that there is a profound sense of déjà vu when they talk about the lack of joined-up working and the lack of information, showing lost opportunities. Last year, the Minister announced that he was going to change serious case reviews and the local safeguarding children's boards who commission them. They will be replaced by team safeguarding partners, which consist of local authorities, clinical commissioning groups and the police. The only agency that seems to have rung the alarm bells in this case was the schools attended by the siblings of the victims. Why are schools and education not part of those essential team partners in the new format?

Nadhim Zahawi: My hon. Friend is absolutely passionate about work in this area. Schools and other local partners are involved and engaged, but the purpose of the legislation was to make sure that health, police and social services work together. However, he raises an important point about how we can make sure that schools are much more involved.

Mr Jim Cunningham (Coventry South) (Lab): I am not attacking the Minister, but for years, his predecessors have come to the Dispatch Box and said, "We are going to learn the lessons. It's not going to happen again." Some years ago, I took a delegation to meet one of his predecessors and we were assured that resources would be available, but we are back at square one today, and I feel very sorry about what has happened to these kids in Northampton, as much as I do about some of the things that have happened to kids in Coventry. The Minister really has to get a grip on this now. It is no good talking about good practice in one authority as opposed to another. He has to face up to it: there is a shortage of social workers and a lack of resources in local government.

Nadhim Zahawi: I am very grateful to the hon. Gentleman for at least not blaming this Minister, but nevertheless, he raises a very important point. One of our innovations is the introduction of a national panel, chaired by Edward Timpson, which has a remit to make sure that nationally we learn the lessons from such terrible cases. For the first time, it will undertake national reviews. The first of those reviews is on the criminal exploitation of children, so we are learning the lessons and putting the infrastructure in place to be able to do that and act upon it.

Andrew Lewer (Northampton South) (Con): I have met Malcolm Newsam several times and will do so again shortly. I have a lot of confidence in him. The proposed children's trust model seems like the right way forward and particularly the "children first" focus and the focus on the child rather than necessarily on the mother or other carers involved. We have heard about the role of the community from the hon. Member for Oxford West and Abingdon (Layla Moran). While the children's trust model is welcome in many places, will the Minister provide assurances that local democratic oversight will continue to be involved in it?

Nadhim Zahawi: It is very important that there is local democratic oversight. When I look at the areas that deliver the best outcomes and best practice, I see that it is a combination of very strong leadership at local authority level—so, the officer class—and strong political leadership, including from councillors who really understand their remit to protect children.

Matt Rodda (Reading East) (Lab): This is a deeply harrowing case and I appreciate the Minister's focus on leadership; he is absolutely right about that. I hope that he can also see the connection between leadership and properly funded services. Surely it is very difficult for even the best leaders to lead adequately if they have an insufficient supply of skilled staff.

Nadhim Zahawi: The hon. Gentleman raises an important point overall about funding and the challenge of funding for children's services. In this case, it is also important for us to understand the detail. Sally Hodges, the director of children's services, told the *Local Government Chronicle*:

> "It was because of the failure of a number of people through the whole system in respect of risk to those children. I don't think financial matters had a direct impact."

The hon. Gentleman raises an important point overall, but in this tragic case, it is not about simply saying that the money was not there.

Sir Desmond Swayne (New Forest West) (Con): Northamptonshire had the most expensive children's services in the country, so funding wasn't the issue, was it?

Nadhim Zahawi: I am grateful for that powerful intervention by my right hon. Friend. As he rightly says, it is not simply about funding; the issue is much more fundamental in Northamptonshire, which is why we have made the right decision in taking it into trust.

Hong Kong

4.9 pm

Catherine West (Hornsey and Wood Green) (Lab) *(Urgent Question):* To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the impact of the Hong Kong extradition law on the Sino-British joint declaration.

The Minister for Asia and the Pacific (Mark Field): The UK Government remain acutely aware of our enduring responsibility towards Hong Kong as one of the joint signatories to the 1984 joint declaration that established the principle of "one country, two systems". This principle, underpinned by the common law system, provides Hong Kong with the foundations for its continued success as a truly global financial centre and prosperous world city.

Let me turn to the current issues around the ramifications of the Hong Kong Government's contentious proposals to change their extradition laws. Yesterday's huge protest march—peaceful right up until the end—was a clear demonstration of the strength of feeling in Hong Kong. Hong Kong's Chief Executive, Carrie Lam, has insisted that new legislation is needed to close a loophole that has prevented a Hong Kong national accused of murdering another Hong Kong national in Taiwan from facing justice, yet the Taiwanese Administration also oppose the changes, while civil society and business and legal groups in Hong Kong have expressed the strongest concerns about the content of the proposals and the very short consultation period.

Many fear above all that Hong Kong nationals and residents risk being pulled into China's legal system, which can involve lengthy pre-trial detentions, televised confessions and an absence of many of the judicial safeguards that we see in Hong Kong and in the UK. While we welcome recent efforts by the Hong Kong Government to react to the unprecedented level of public concern—of the 7 million people living in Hong Kong, between 300,000 and 1 million were on the streets yesterday—the Foreign and Commonwealth Office is clear that the changes proposed fail to address fully some core issues that we and others have raised.

The UK Government have been unequivocal in their views. From the outset, the consul general, Andy Heyn, and my officials have been raising concerns with the Hong Kong Government, members of the Hong Kong Legislative Council and the Executive Council at all levels. We have also had full and detailed discussions with Chief Executive Carrie Lam, both bilaterally and as part of an EU démarche. On 30 May, the Foreign Secretary issued a joint statement with his Canadian counterpart on the potential impact of the proposals on our citizens in Hong Kong, including on business confidence and on Hong Kong's international reputation.

Some Hong Kong lawmakers have proposed an array of alternative solutions, including that additional legally binding human rights safeguards be included in the proposed legislation. In my meeting in London on 20 May with Hong Kong Secretary for Commerce and Economic Development, Edward Yau, I made it clear that proper consideration must be given to all these suggestions as part of a wider and more comprehensive consultation. More time for consultation would allow for a more adequate consensus to be built.

[Mark Field]

As the House will be aware, the operation of the court system on mainland China is very different from that which applies in Hong Kong. There are widespread concerns that fear of extradition to China might have a chilling effect on Hong Kong's rights and freedoms and result in increased self-censorship. We shall continue to stress to the Hong Kong and Chinese authorities that for confidence in the "one country, two systems" policy to be maintained, Hong Kong must enjoy the full measure of its high degree of autonomy and rule of law as set out in the joint declaration and enshrined in the Basic Law.

Catherine West: It is very disappointing that the Secretary of State could not make it to the Chamber for the 1 million Hong Kong residents who took to the streets yesterday to protest against their Government's proposed extradition Bill. If enacted, the law would allow suspected criminals to be extradited to mainland China, bypassing Hong Kong's independent legal system. Over the past few weeks, Amnesty International, Human Rights Watch, the business community, civil society organisations, the Hong Kong Bar Association and the International Chamber of Commerce have all expressed deep concern that the Bill will further erode the "one country, two systems" model.

The law courts on mainland China are seen as an arm of the state. Forced confession is frequently practised and activists often fear imprisonment for crimes they have not committed. Hong Kong's common law system is not open to such abuse, as the Minister mentioned in his introductory remarks, and although it is under pressure, the separation of powers remains more or less intact. The amendments to the extradition law would significantly compromise the firewall that separates the sharply different systems.

In recent times, we have watched with great unease as political and civic freedoms have been put under increasing strain. Those freedoms are guaranteed under the Basic Law, a core component of the Sino-British joint declaration. As the co-signatory to that treaty, which is registered at the United Nations, the Government have a legal duty to ensure that it is upheld.

The last Governor of Hong Kong, Lord Patten of Barnes, said that this Bill's provisions were

> "an assault on Hong Kong's values, stability and security. They create fear and uncertainty…at a time when we should all be working to safeguard Hong Kong's reputation as one of the world's greatest business"

and cultural centres. Does the Minister agree with his colleague's assessment, and will he outline how the Government intend to address this issue in the immediate future, alongside long-standing concerns about the erosion of democratic principles in Hong Kong?

We have a long and enduring history with Hong Kong, and we have lasting political, economic and cultural ties. As we mark the 21st anniversary of the handover next month, it is crucial for us to keep our promise that "Hong Kong will never walk alone".

Mark Field: I thank the hon. Lady for the tone of her comments. She will be aware from discussions that we have had—and I have visited Hong Kong twice already during my time as a Minister—that we understand many of the concerns which have been raised by Lord Patten and, indeed, by her. In particular, we understand the concerns raised in the most recent six-monthly report—not without some controversy do we continue to have a six-monthly report—which states that, while we believe that one country, two systems is working well, in the sphere of civil and political freedoms Hong Kong's high degree of autonomy is being reduced.

Let me say this in relation to the joint declaration as a whole. Three years ago, in 2016, we called on a breach of the declaration following the involuntary removal of the Causeway Bay booksellers from Hong Kong to the mainland. That was the first and, to date, the only time that we have called upon a breach. However, it is clear that these events are becoming close to breaching not just the spirit but the letter of the joint declaration. I fear that this is also a good example of tough cases making bad law. There is a potential loophole, but it is interesting to note that it is not one that the Taiwanese authorities have asked to be sorted out.

A Hong Kong national is being accused of a very serious crime—murder—and there is clearly no extradition prospect, but, as the hon. Lady rightly pointed out, this opens up a potentially much broader extradition-related concern. As I mentioned in my initial comments, one of the biggest concerns is that, particularly at a time when President Xi has a strong anti-corruption campaign in place, there is a risk that individuals could be caught up in this in a very inadvertent way. While there are proposed safeguards—it is proposed to raise the extradition level from a three-year custodial sentence to one of at least seven years—the situation none the less still raises the deep concerns to which the hon. Lady referred.

Fiona Bruce (Congleton) (Con): Lord Patten has said that the decision to exclude any extradition agreement between Hong Kong and mainland China in 1997 was not a loophole, but a deliberate decision that was made in order to protect the autonomy of Hong Kong and the firewall between it and China. Does the Minister agree that if countries speak with one voice in expressing concerns about this issue, there is likely to be more of an impact? What is the UK doing to join like-minded countries in expressing such concerns?

Mark Field: I thank my hon. Friend, who takes a great interest in matters to do broadly with China but also specifically with Hong Kong, and I pay tribute to her for her detailed and steadfast work in that regard. Yes, she is right: we need to work together as an international community on this. It is perhaps fair to put it on record that there are already some extradition arrangements between some countries and Hong Kong, but obviously we are deeply concerned that this particular law provides a much more general overview, particularly as it engages the Chinese mainland. But I will, if I may, reiterate what my right hon. Friend the Foreign Secretary and his Canadian counterpart, Christina Freeland, said as recently as 30 May:

> "It is vital that extradition arrangements in Hong Kong are in line with 'one country, two systems' and fully respect Hong Kong's high degree of autonomy."

Helen Goodman (Bishop Auckland) (Lab): Thank you for granting this urgent question, Mr Speaker. I also want to congratulate my hon. Friend the Member for Hornsey and Wood Green (Catherine West) on securing it. I share her profound concern about these

extradition laws, as evidently do hundreds of thousands of Hong Kong citizens who took to the streets over the weekend. These laws constitute not just an erosion but a fundamental breach of the Sino-British declaration and the one country, two systems principle it enshrines. They threaten the judicial independence of Hong Kong.

The warning signs have been coming for several years now: we have seen an increasing crackdown on dissent and protest. Now we face the prospect of a direct line between Beijing and Hong Kong's courts that could see Hong Kongers sent thousands of miles away to face trial in mainland China's flawed criminal justice system.

The UK does not have an extradition treaty with China, so why have the Government done next to nothing? The joint declaration is a legally binding treaty registered with the United Nations, and the British Government are the joint guarantor with China of the rights of Hong Kong citizens. Moreover, there are 170,000 British national overseas passport holders, many of whom reside in Hong Kong.

The concessions offered by the Hong Kong Government in the last few hours have no legal force, so I have one question for the Minister: will he make every effort to persuade the Executive in Hong Kong to halt the progress of these highly dangerous extradition amendments before Wednesday's crunch votes?

Mark Field: I thank the hon. Lady for her comments, although I think some of them are a little unkind to officials, Ministers and also more particularly our excellent consul general, Andy Heyn, who has been out in Hong Kong, as we have recognised that this issue has been emerging for quite some time. As I mentioned in my earlier comments, it is also fair to say that we have consistently, certainly in my two years as a Minister, at every six-monthly report expressed ongoing concerns about the deterioration, as we have seen it, in political and civil rights.

It is probably fair to say that these proposals—the proposed extradition law—did not originate at China's instigation, but there is no doubt that the Hong Kong Government are now under distinct pressure from Beijing. We believe that some opportunities to climb down have been missed, but even the huge public display of defiance yesterday—as I have said, up until the last few moments it was very peaceable—combined with concerted opposition from the international business and legal communities has not been able to turn the tide.

I say to the hon. Lady that of course we will do all we can. Andy Heyn is I believe in London this week, but his very able assistant Esther Blythe is back in Hong Kong, and we will do all we can to make further urgent representations to the Hong Kong Government.

This issue has highlighted that it is not the Chief Executive and not even the Legislative Council that can provide an effective check to external influence in Hong Kong; it is the presence and continuation of an independent judicial system. Obviously, again as the hon. Lady rightly alluded to, it now looks as though we are heading towards a potential pitting of the Hong Kong judicial system squarely against that of Beijing.

Stephen Crabb (Preseli Pembrokeshire) (Con): I agree with the Minister: the United Kingdom has a serious and special obligation to defend civil liberties in Hong Kong. One of the leaders of the Hong Kong pro-democracy movement said in a note last week that these new extradition amendments and this Bill will, if passed,

"have destructive effects on our civil liberties as well as on our economy."

Does the Minister agree with that assessment, and does he feel we are discharging our obligation to defend civil liberties in Hong Kong as fully as we can at the present time?

Mark Field: I thank my right hon. Friend for his question and I broadly agree with what has been said. I hope that the work of democracy and diplomacy will ensure that we are able to do our best not only to push back but to advise and express our deep concerns. We have only to look at the recent six-monthly reports to recognise the increasing buzz of concern on our side and indeed from many in Hong Kong in relation to this matter. In particular, the extradition treaty has engaged many in the business community, many of whom have felt broadly positive over the past 22 years. One of the messages we put to our counterparts in Beijing is that a strong Hong Kong is required for their own plans, whether on the belt and road or other economic initiatives, to be fully successful. Hong Kong's unique legal system provides an opportunity for substantial capital markets. The great success of Hong Kong therefore relies on its high degree of autonomy being maintained.

Peter Grant (Glenrothes) (SNP): I congratulate the hon. Member for Hornsey and Wood Green (Catherine West) on securing this urgent question and I thank you for granting it, Mr Speaker.

Anyone who saw last week's remarkable documentary by Kate Adie to mark the 30th anniversary of the Tiananmen Square massacre will not need to be reminded what respect for human rights means to the Government of China. Although people will say that China has moved on since then, it has not moved on enough even to admit that Tiananmen Square happened, never mind to apologise to the relatives of all those who were killed. Most people in China do not know that the weekend's protests in Hong Kong happened because the Chinese Government made absolutely sure that they were not allowed to know about them. That is the extent of the ongoing repression of human rights in China and we should all be concerned that a similar repression of human rights will start to be inflicted on the people of Hong Kong as well.

Normally, under an extradition treaty, a person cannot be extradited for an offence that is not a crime in the country they would be extradited from. That will not apply in these circumstances, however, because China will not respect the terms of any treaty with Hong Kong. Also, a person cannot normally be extradited to a country where they would not get a fair trial, but does anyone seriously believe that that protection would be respected for anyone in Hong Kong? I welcome some of the assurances that the Minister has given, but will he say a bit more about what action the United Kingdom is taking just now—through the United Nations, for example—to ensure that all possible international diplomatic pressure is brought to bear, not just in Hong Kong but, more importantly, in China to ensure that this law never becomes effective? Also, given that China is one of the countries that we are supposed to be looking keenly towards for a trade deal, may we have an

[Peter Grant]

assurance that in no circumstances will the prospect of a trade deal allow the voice of the United Kingdom and our allies in Europe to be silenced when it comes to speaking up in defence of the rights of people to whom the United Kingdom continues to owe a legal and moral responsibility?

Mark Field: I thank the hon. Gentleman from the Scottish National party for his comments and I will try to answer his questions. It is obviously not my place as a Minister in the Foreign and Commonwealth Office to comment on the specifics of trade deals other than to say that we will continue relentlessly to express any concerns about human rights with any country with which we are looking to strike a trade deal. That said, this is a particular circumstance because of the nature of the joint declaration. The hon. Gentleman rightly suggested that that document, which was signed by China and the United Kingdom in 1984, is now lodged with the United Nations and that is clearly one mechanism by which we could try to stand up for its terms. Back in 2016, there was a particular episode in which we thought the joint declaration was being abused and, if we feel that we are not getting the changes we are looking for on this extradition law, we will use whatever means we can.

The Hong Kong Government released a statement at 11 o'clock last night, Hong Kong time, noting the people's right to freedom of expression and assembly, but insisting that the Bill would continue to its Second Reading on Wednesday. Chief Executive Carrie Lam reiterated that message on television this morning, again Hong Kong time, and we are obviously looking to try to ensure that the safeguards put in place over the next two or three days are as watertight as possible. However, this is an ongoing discussion and I hope the hon. Gentleman will recognise that we want to leave all our options open.

Sir Desmond Swayne (New Forest West) (Con): Beyond the Minister's evident charm, what leverage do we actually have?

Mark Field: I thank my right hon. Friend, as ever, for his charming and succinct question. He has obviously been to the same school as you, Mr Speaker, in that regard. The reality of the situation is that there is an international agreement that was signed with the UN, and we and many other international partners take it seriously. I hope that my right hon. Friend was reassured when he heard what I had to say about our discussions with our Canadian counterparts—a significant number of Canadian nationals live and work in Hong Kong—which happened as recently as 30 May. The message that is coming out loud and clear is that, as my right hon. Friend the Member for Preseli Pembrokeshire (Stephen Crabb) said earlier, we need the international community to work together. This is clearly a crucial point in Hong Kong's history, and our legal leverage may be more limited than we would wish, but we can maximise it by working together.

Thangam Debbonaire (Bristol West) (Lab): The worries about this breaking of the firewall and the possible intrusion into one country, two systems would not exist if there were not serious concerns about egregious breaches of human rights in China. What further information can the Minister provide about the discussions between the UK Government and the Chinese Government about improving human rights in China more generally?

Mark Field: As I have pointed out to the hon. Lady in our previous exchanges, we never stint from making our concerns clear in relation to issues in Xinjiang in the north-west of the country or more general issues around human rights. We have a strong diplomatic relationship with China that involves working together in a productive way in a range of areas, including tackling money laundering, people trafficking and, increasingly, climate change. Building up that body of trust also involves being able to have robust conversations about human rights matters. At the highest possible level, when the Prime Minister spoke to President Xi and when I speak to my counterparts in Beijing and other cities, we do not stint from making clear particular concerns where there are concerns, either on consular matters or, indeed, more generally on human rights.

Steve Double (St Austell and Newquay) (Con): Coincidentally, earlier this afternoon, I met a group of students from Hong Kong who are studying here. They are British national (overseas) passport holders, and they are obviously concerned about the recent developments in relation to China. What consideration has the Department given to the effect that the proposed changes would have on BN(O) passport holders in Hong Kong? What steps is the Foreign Office taking to provide ongoing support and advice to BN(O) passport holders in Hong Kong?

Mark Field: I thank my hon. Friend for his comments. He is absolutely right that we have significant obligations to British national (overseas) passport holders. He will be aware that the right of abode in the UK was defined by the Immigration Act 1971, so there are immigration controls to which BN(O) passport holders are subject. The rights they have are not the full rights of British citizens. None the less, they are British nationals from Hong Kong. It is something that we do take very seriously. I hope that he will forgive me if say that I will write to him in due course to try to answer his specific issues, with particular regard to any changes to the rights of such individuals since 1997.

Mr Alistair Carmichael (Orkney and Shetland) (LD): The Second Reading of the Bill to implement these changes will take place on Wednesday. Legislators in Hong Kong have told me today that they anticipate that, thereafter, the remaining stages of the Bill could be completed as early as the middle of the week after next. If that happens, clearly the Minister's aspiration for more consultation will be dead in the water. What will he do then?

Mark Field: I thank the right hon. Gentleman for what he says. It would clearly be of grave concern. There is an almost universal view, and not just from those who were on the streets of Hong Kong yesterday. Increasingly, business organisations based in Hong Kong and, indeed, around the world are asking for greater consultation. I would rather not speculate as to where

we might be if the path he describes is taken over the next 10 days, and I sincerely hope that will not come to pass.

Mr Speaker, you may be aware that the right hon. Gentleman has the Adjournment debate, in which we will be covering a little of this ground. I hope he will forgive me—I will want to talk more generally later about the relations between the UK, Hong Kong and China.

Mr Speaker: I am most grateful for that public information announcement. It is potentially of interest to people observing our proceedings that this debate will indeed be resumed in the form of tonight's Adjournment debate, under the auspices of the right hon. Member for Orkney and Shetland (Mr Carmichael), specifically on UK foreign policy in relation to China and Hong Kong.

Moreover, I will have the great honour and privilege tomorrow night of hosting a dinner in support of Hong Kong Watch, which, to put it bluntly, is a splendid organisation that has been set up to keep an eye on what the Chinese Government are up to in relation to Hong Kong. That organisation is magnificently led on a day-to-day basis by the estimable Ben Rogers, who as I speak might well be in our midst.

Grenfell: Government Response

4.36 pm

The Secretary of State for Housing, Communities and Local Government (James Brokenshire): With permission, Mr Speaker, I will make a statement on the Government's response to the Grenfell Tower fire. I am also writing to the Chair of the Housing, Communities and Local Government Committee, the hon. Member for Sheffield South East (Mr Betts), to provide a formal report on progress, a copy of which will be placed in the Library.

First, I will take a brief moment to thank all those who responded to yesterday's serious fire in Barking, east London. The London Borough of Barking and Dagenham provided emergency accommodation for those residents who needed it, and we will continue to work with the council to ensure that residents receive the support they need at this most difficult time.

Although the cause of the fire has yet to be confirmed, I have asked the Building Research Establishment to investigate the fire, working with the London fire brigade. I have also asked the independent expert panel on wider fire safety issues to provide urgent advice to the Government. We will take account of the findings of the investigation and of the panel's advice in our further work on reviewing the fire safety guidance. The local authority and the building owners are reviewing fire safety for the rest of the development. I remain in close contact with the London fire brigade, and I will be visiting the community later today.

As we mark two years since the devastating events of 14 June, I know the whole House will join me in remembrance and solidarity with the people of north Kensington. I want them to know that this House is behind them in honouring the loved ones they lost, in helping those left behind to heal and rebuild their lives and in our determination to ensure that nothing like this can ever happen again.

The unprecedented disaster has been met with an unprecedented response across the Government, our public services, local government and the voluntary sector. I am hugely thankful to everyone involved, especially our emergency services and the public and voluntary sectors. In total, we have spent over £46 million of national Government funds and committed a further £55 million to help meet rehousing costs, to reimburse the Royal Borough of Kensington and Chelsea for the Grenfell site management costs, to deliver new health and wellbeing services and to deliver improvements to the Lancaster West estate.

Over £27.8 million of the nearly £29 million raised through the generosity of the British public has also now been distributed, thanks to the Charity Commission. Those affected are also getting vital support from the NHS, with a further £50 million committed over the next five years to address long-term physical and mental health needs. To date, nearly 8,000 health screenings have been completed, including for more than 900 children, with more than 2,700 individuals, including more than 600 children, receiving or having received treatment for trauma.

We are determined to make sure those affected remain at the heart of the response to this tragedy, which is why my right hon. Friend the Member for Ruislip, Northwood and Pinner (Mr Hurd) continues to meet families regularly,

[James Brokenshire]

in his role as the Grenfell victims Minister. It is why the Prime Minister recently appointed two new panel members for phase 2 of the Grenfell Tower public inquiry, to make sure it has the necessary diversity of skills and experience. And it is why the community will be pivotal to decisions about the long-term future of the site, as the Government take ownership of this, to ensure that sensitivities are respected and that they are fully engaged in additional environmental checks, after concerns were raised. Testing has started, to assess any health risk, and we will ensure that all appropriate action is taken.

Clearly, one of our biggest priorities has been rehousing the 201 households who lost their homes, with the Royal Borough of Kensington and Chelsea acquiring more than 300 homes to meet their needs and provide choice. I am pleased that all 201 households have accepted permanent or temporary homes, with 184 households in permanent accommodation and 14 in good-quality temporary homes. That represents significant progress since last year, but I am concerned that three households remain in emergency accommodation, including one in a hotel. I asked the independent Grenfell Recovery Taskforce, which was set up to ensure that the Royal Borough of Kensington and Chelsea better supported residents and rebuilds trust, to look into this, and I have been assured that the council is taking an appropriate and sensitive approach, given the complex needs of those households, to find the right long-term solution for each of them.

A new home is undoubtedly an important step on the road to recovery, and it is vital that this is reinforced by long-term support, such as the recovery services co-designed by the council, in partnership with the community and local health partners. It is essential that we build on this collaboration, with the council listening and the community being heard. That is fundamental to laying the foundations for a new and stronger partnership between residents and those who serve them.

Central to this relationship, and indeed to so much of the work flowing from the fire, is the need to rebuild trust. Above all, that means ensuring that people are safe and feel safe in their homes. With that in mind, right hon. and hon. Members will be aware that we launched a consultation last week on proposals to implement meaningful reform to our building and fire safety regulatory systems, following the independent review led by Dame Judith Hackitt, to provide a clear focus on responsibility and accountability and to give residents a stronger voice to achieve the enduring change that is needed.

Alongside that, the Government also launched a call for evidence on the fire safety order to determine what changes may be required to strengthen it. This follows the recent launch of a new fund to expedite the remediation of buildings with unsafe aluminium composite material cladding in the private sector and protect leaseholders, adding up to a £600 million commitment from the Government to make the buildings of both the private and social sectors safe.

This builds on other significant measures we have undertaken, such as a ban on combustible cladding, a review of the building regulations fire safety guidance—or Approved Document B—and tests on non-ACM materials, to not only keep people safe now, but to fundamentally transform the way we build in the future, through legislation, yes, but, more crucially, through a change in culture. But I know that we must continue to challenge on what more needs to be done.

People living in buildings like Grenfell Tower need to trust that there can be no repeat of what happened that night—to trust that the state understands their lives and is working for them. That is why the social housing Green Paper, published last year, and the new deal it sets out for people living in social housing matter so much. My thanks go to the many residents who have engaged with us on this for their invaluable contribution. We are assessing the consultation responses and finalising our response. The deal it proposes aims to rebalance the relationship between residents and landlords, to address stigma and to ensure that homes are safe and decent. In addition to our drive, backed by billions, to boost the supply of social housing, the deal promises to renew our commitment to people in social housing, ensuring that everyone, no matter where they live, has the security, dignity and opportunities they need to build a better life.

Ultimately, that is our hope for the bereaved and survivors and for the strong, proud people of north Kensington, who have shown us the power of community. They and we will never, ever forget those who died in the most horrific circumstances. I know that the pain of loss continues as they wait for answers and to see justice done, as the police investigation and public inquiry continue their important work, but they should know that they are not alone: the Government, this House and, indeed, our whole country will always have a stake in the future of Grenfell, and I have every faith that this remarkable community, working in partnership, will move forward, rebuild and emerge even stronger. I commend this statement to the House.

4.45 pm

John Healey (Wentworth and Dearne) (Lab): I thank the Secretary of State for the advance copy of his statement. At the start of this, the week of the second anniversary of that truly terrible Grenfell Tower fire, above all else we remember the 72 men, women and children who lost their lives, and we rededicate ourselves to doing everything needed to ensure that such a fire can never happen again.

The Grenfell survivors and families who are with us today will draw little comfort or confidence from the Secretary of State's update statement. He made no new announcement and offered no new action. Earlier, he and I both spoke at the two-year Grenfell memorial event, with you, Mr Speaker, in Speaker's House. Those survivors from Grenfell United who are still campaigning for change told us today:

"We shouldn't be here; we should be at home, rebuilding our lives".

They said that in two years:

"Little has changed and justice still seems so far off".

There has been over these two long years some progress, which we welcome and for which individual Members and Ministers, including the Secretary of State, deserve some credit, but a national disaster on the scale of Grenfell Tower requires a national response on the same scale from the Government. That has not happened.

Ministers have been frozen like rabbits in the headlights. Their action has been too slow and too weak on every front. There has been the failure to rehouse survivors,

despite the promise that every victim of the fire would have a new permanent home within one year. There has been a failure to give justice to the Grenfell community: despite the first phase of the public inquiry first having been due to report at Easter last year, it has still not been published. There has been a failure to re-clad other dangerous high-rise blocks: despite 176 private blocks having been confirmed to have the same Grenfell-style ACM cladding, nine out of 10 have still not had it removed and replaced, and more than 70 of the block owners do not even have a plan to do the work. There also has been a failure to identify unsafe non-ACM cladding, despite the Government's testing contract having set a completion deadline of November 2018. There has been a failure to overhaul building safety legislation, despite the final report of the Hackitt review having been published in May 2018.

Yesterday, there was the fire at Barking, where early reports point to serious problems: as at Grenfell, the De Pass Gardens residents raised safety concerns and were ignored; wood cladding was untreated for fire safety because the developer was not required to treat it; and the local council did not have the necessary powers to act to deal with this private development.

Will the Secretary of State now take up the five-point plan that Labour has published today to force the pace? If he does, he will have our full backing for such action. Will he name and shame the owners of blocks with dangerous cladding? Will he set a December deadline for the block owners to get work done? Will he update the sanctions available to councils under the Housing Act 2004 to include fines, followed by the takeover of blocks that still have dangerous cladding? Will he widen the Government's testing regime to run full tests on all suspect non-ACM cladding? Will he bring in the long overdue overhaul of building safety legislation?

Finally, will the Secretary of State accept that only such tough action—only such far-reaching changes—will provide the proper legacy for those who perished at Grenfell Tower and that only such action and such changes will allow us all finally to say, with confidence, this can never happen again in our country?

James Brokenshire: I thank the right hon. Gentleman for his contribution and for the important points he has made to the House this afternoon. Indeed, Mr Speaker, may I also thank you for allowing your State Rooms to be used this lunchtime to enable survivors, the bereaved and others to come together to share their very powerful and important experiences and to underline to us very clearly why this matters so much and why we must be resolute in the actions that we take?

The right hon. Gentleman also highlighted the work of so many who have campaigned on this matter. We note today the role of Grenfell United, and I appreciate and recognise the huge contribution that it has made. He is right to say that, no, its representatives should not be here. I commend them for the challenge and the very effective way in which they have underlined the needs of their community. I will certainly continue to work with them and bring about the change that I think is needed.

The right hon. Gentleman raised a number of important points. On rehousing, we remain deeply concerned about the three individuals—the three households—who are still in emergency accommodation. I can underline the fact that each household has a property reserved for it. Sensitivity is needed in undertaking this work, but we will continue to support and to challenge until all residents have a long-term home in place, because that is what matters to all of us, which is why the taskforce continues to challenge and to support us to ensure that that happens.

The right hon. Gentleman highlighted the issue of the remediation of ACM cladding as well. He will know well the frustration that I have had with the private sector, which has not done the job that it should have done. Some responsibility can be placed very firmly there, which is why we have provided an additional £200 million for the very purpose of speeding up the process so that blocks are remediated and made safe. Progress is certainly being made. If we look at the remediation in the social sector, we can see that good progress has been made there. At the end of April, remediation had started or been completed on 87% of the 158 social sector buildings, with plans in place for the remainder. We are obviously seeing some progress in relation to the private sector.

The right hon. Gentleman highlighted the issue of local authorities and their need to see that enforcement is in place. I agree with him. That is why we are backing local authorities to take enforcement action where building owners are refusing to remediate high-rise buildings with unsafe cladding. This will include financial support, where that is necessary, for the local authority to carry out emergency remedial works. Where emergency financial support is made available, the relevant local authority will recover the costs from the building owner. Of course, we want to see this work completed as rapidly as possible, and I understand his desire to see some form of hard stop—some sort of certainty in relation to this. I say to him that some of the required work is extensive and complicated, and, indeed, that other issues, or other areas of work, may be highlighted in respect of individual buildings, but it is right that we continue to press on and take action.

Let me underline the actions that we have taken. We launched a consultation last week on proposals to implement meaningful reform to our building safety and fire regulatory systems following the independent review led by Dame Judith Hackitt, with the intent to bring forward legislation later this year, in the next Session. We want to get this reform on to the statute book and make it happen. We have taken steps with the ban on combustible cladding. We have taken steps to see that action is advanced and that buildings are made safe, and, indeed, we have taken steps with the remediation programme that is in place. Yes, there is absolutely more work to be done, and I do not shrink from that. I do not shrink from the challenge presented by the right hon. Gentleman or others across the House. I assure him and the community of our resolute determination to make that change so that people can feel—and are—safe, and to provide that lasting legacy to all those who died in the fire.

Nigel Huddleston (Mid Worcestershire) (Con): Thank you, Mr Speaker, for opening your State Rooms today so that hon. Members could meet many of the survivors of Grenfell. I share the frustration expressed to me by many survivors today that, two years on, not enough progress has been made. I appeal to the Secretary of State to put his foot on the accelerator and move forward more quickly. I speak as a representative of an area of the country that has no tower blocks, but immediately

[Nigel Huddleston]

after the fire and the tragedy my constituents told me that the Government are expected to do everything and anything they can to protect and support the victims, and to ensure that such a tragedy never happens again. I am not sure that we are moving quickly enough. I know that we are saying the right things, that we want to do the right things, and that we want be disciplined and respectful regarding the process, but may I appeal to the Secretary of State to move forward more quickly? By doing so, he will get my support and that of my constituents.

James Brokenshire: Absolutely. It is important—especially in the remediation of this highest-risk ACM cladding—that we make as speedy progress as possible. We intend to attach conditions to the funds being made available to the private sector, for example, to show that this is able to progress quickly. Indeed, we have already written to all relevant building owners to set some expectations and outline things that they need to have in place, so that we do not lose time. What needs to happen could not be more fundamental, which is why I took the step to ban combustible materials on the external walls of residential high-rise buildings and other high-risk buildings. There is a firm commitment to seeing that that action is taken.

Alison Thewliss (Glasgow Central) (SNP): Thank you, Mr Speaker, for hosting Grenfell United in Speaker's House this afternoon. It gave us all a very good opportunity to listen to the testimonies of those affected by this awful tragedy. My thoughts are also with those affected by the fire in Barking. This really highlights how much still needs to be done to ensure that people can trust that their homes are safe to live in. There are clearly echoes of Grenfell in the case of Barking; people had flagged time and again that there were issues with their property, but they were not listened to. What is the Minister going to do to ensure that those who raise similar concerns are actually listened to and that action is taken?

I have with me the parliamentary briefing produced by Grenfell United, whose demands are absolutely reasonable. The things that these people are asking for are not, by any manner of means, things the Government cannot deliver should they have the will to do so. Will the Minister look at the demand for:

"A new, separate, 'consumer protection' regulator to protect tenants, to change the culture of social housing across the country",

particularly as Scotland has had the Scottish Housing Regulator since 2011? In Scotland, the regulator provides a very useful means for tenants and residents to flag issues about their housing, to ensure that investigations take place and to see that action is taken, and this can make a real difference to people. If such a regulator had existed in England, it would have provided the means for residents to have their concerns heard.

Grenfell United also asks for:

"Immediate removal of dangerous cladding…Improved fire safety regime…an extension of the Freedom of Information Act to cover TMOs and housing associations…Public Authority (Accountability) Bill…justice and change…For our community to be listened to."

It is on that last request that I want to finish. Karim spoke movingly at the event in Speaker's House earlier, saying, "We're not going anywhere until people are safe in their homes and you treat them with respect." Both those things must be fulfilled for the people of Grenfell to feel as though any kind of resolution is going to come from this.

James Brokenshire: I agree with a great deal of what the hon. Lady said. Yes, this is about that sense of justice and change. Clearly, there is an ongoing police inquiry that we must let take its course, and, of course, the work of the independent inquiry itself. The point about residents being listened to and respect being shown is very powerful and very important, and it will require culture change in so many ways. That process has started, but I know there is more work that needs to be done.

The hon. Lady highlights the issue of the social housing regulator—something that is of keen importance and is a key aspect of the social housing Green Paper. I am very clear, from the responses I have seen to the representations on that, that we need a much stronger response in terms of not just listening to tenants but acting on their concerns. That is the point. It is not just about trying to put something in place for the sake of it; it is about seeing that where complaints are made over building safety—there are separate regulations and issues that will come through from the implementation and the Hackitt review—there is a speedy process to see that things are done and remedied. That, for me, is and will be the test on all of this.

Of course we will keep in contact with the Scottish Government. I am open-minded as to where we can take learning, and apply and use lessons, on a two-way basis. There is good communication between my officials and officials in the Scottish Government as well. Therefore, we will learn the lessons, but equally, very firmly, make that difference.

Sir Desmond Swayne (New Forest West) (Con): Two years on, what agencies are, hopefully, working together among the residents, particularly the children, in support of them?

James Brokenshire: A number of agencies are working with the community. One of the issues that I have been very concerned about is mental health support. My right hon. Friend will have heard about the additional support and funding that is being provided in that regard. There are some amazing community leaders; I have had the privilege to meet them and to see the work they are doing and the difference they are making. The council clearly has a key role to play in terms of its recovery programme and how it is putting in place these further steps. That stance of working with the community and building trust will take time, but it is an essential element if we are to move on and make the progress we need.

Emma Dent Coad (Kensington) (Lab): The time for platitudes is done. I am, frankly, shocked that Government Members have the face to wear a green heart—shame on them. How can they sleep at night when tens of thousands across the country cannot, living in homes that are potentially dangerous or with their investments worth nothing? I cannot sleep. Where is the leadership in this process? There is a whole generation of potentially unsafe buildings out there. It is hardly controversial to keep people safe in their homes. The Secretary of State talked about it being his mission. Please do not make it

a mission—make it a legacy. It is within your power, and instead you consult, report, review; consult, report, review. Please, wake up from your torpor and legislate now; we know what needs to be done.

James Brokenshire: I recognise the passion of the hon. Lady and the way in which she has sought, very firmly and very effectively, to represent her constituents. I know that that passion and the real desire to see change quickly is keenly felt. There is a weight of responsibility that all of us in Government hold in respect of this. I do take that hugely seriously in seeing how we can speed up and make the progress that we need to in relation to building safety and to breaking some of the culture and stigma issues, too. That is why we have taken the series of actions that I outlined in my statement to see that we get on and get the regulations in place. It is also why I am determined that we fix what is a broken regulatory system, and why the final step of that is the consultation that we have just launched. I encourage her to engage formally and properly on that so that we get the legislation right. But equally, we are determined to see that we speed up the process, with the private sector, on getting the buildings remediated—she is right to challenge firmly on this—and that is what we are intent on doing.

Jeremy Lefroy (Stafford) (Con): The thoughts of the people of Stafford are very much with the Grenfell community and all those who have suffered in this appalling tragedy. I repeat the need for the review to result in action. Has my right hon. Friend taken into account other types of building—not only residential buildings, but schools, hospitals, hotels and office buildings—and looked across the European continent at what is best in class for fire safety, to ensure that we are at the top?

James Brokenshire: Yes, I can give my hon. Friend that assurance. Indeed, when we made the decision to ban combustible cladding, we looked at what other practice was out there and how to standardise in that way. We are consulting on key elements of the new building regulation regime, so that we are in a position to legislate. He is right to talk about learning from experience elsewhere. That is what we are determined to do, so that we see a difference. As Members have said, this is about people's lives and seeing change happening. It is not about dry reports or doing consultations; it is about seeing change come into effect, and that is what I am resolutely determined to do.

Mr David Lammy (Tottenham) (Lab): I am grateful for the Secretary of State's statement, but he made no real or meaningful reference to the means of justice for the Grenfell families and the bereaved. That justice is delivered by two things. The first is the public inquiry. Can he say more about the delays that seem to be dogging the inquiry and the frustrations of the families and their lawyers in participating fully in it? The second is the police investigation. Can the police update us on it, if he cannot? Many here believe that there is culpability, which must one day be found in court.

James Brokenshire: The right hon. Gentleman makes a powerful point in his customary way. I know how much he has rightly challenged and been engaged in this issue. He may be aware that Metropolitan Police Service detectives investigating the Grenfell Tower fire have conducted 13 interviews under caution. That provides part of the criminal investigation into the fire, and Scotland Yard says that more interviews are being scheduled. This is clearly an ongoing investigation, with the police examining closely and assembling all relevant evidence, and it is right that we allow it to take its course.

The right hon. Gentleman highlighted the timetable of the public inquiry. It has been announced that the phase 1 report will be delayed until October this year. It is obviously an independent inquiry and process. The extension is to allow the inquiry to look thoroughly at the significant volume of evidence, and to allow time for what is known as a rule 13 process, which requires warning letters to be sent to individuals or organisations who may be subject to criticism. That is the process of the inquiry, which is independent of Government. It is for the inquiry to set out its timeline and needs.

Lucy Powell (Manchester Central) (Lab/Co-op): Thank you, Mr Speaker, for hosting Grenfell United today. I hope you will continue that tradition.

I have hundreds, if not thousands, of constituents living in dangerous or potentially dangerous high-rise buildings. While I welcome the Government's cladding fund for private blocks, many of those blocks are still waiting to hear from the Government whether they will be eligible for that fund. Meanwhile, their residents are trapped in dangerous properties, with their lives completely on hold as they wait for that information. The fund does not cover many buildings in my constituency that have other cladding—not ACM cladding—or that have no firebreaks or other safety concerns. Residents in Skyline Central 1 face demands of up to £25,000 each to re-clad their building, and those in Burton Place face demands of up to £80,000 each. Those costs will not, as it stands, be covered by the fund. As there are a very high number of private blocks in my constituency, will the Secretary of State come to Manchester to meet some of these residents and talk about how we can make their lives safe and free them from the trap they are in, with properties that they cannot sell and are frightened to live in?

James Brokenshire: I can say to the hon. Lady that I have been to Manchester and met some residents previously in relation to this very serious issue and the profound impact this has on people's lives. It was why I did make the decision to commit to fully fund the remediation of private sector high-rise residential buildings with ACM, except where a warranty claim has been accepted.

The hon. Lady rightly says there is a need for certainty as quickly as possible. That is why we did write to all relevant building owners on 17 May to set out the initial steps, the documentation and all the aspects, so that we are able to move quickly on making decisions in relation to this. The point about non-ACM is also very relevant, and it is why we are undertaking the relevant steps that we are with the different testing and, indeed, the advice and guidance that were being provided. I am certainly happy to talk to her and other colleagues about the impact, which I know is significant in a number of different ways, and about support for local authorities or what other action can be taken to assist.

Andy Slaughter (Hammersmith) (Lab): It is always humbling to meet the Grenfell survivors, because often they want to talk about others who are in a worse

[Andy Slaughter]

condition than themselves or to ask what the Government are doing to prevent further tragedies in relation to cladding and other matters. Often, however, as I am sure the Secretary of State found today, if we talk to them in some depth, we find that they themselves are still suffering. After two years, despite the fact that there is an appearance of a full support structure, it often breaks down and people are being forced—or, at least, given ultimatums—to go into accommodation that is not suitable, and they do not know whom to turn to. What advice does the Secretary of State have for me and other Members when they are confronted by survivors of that kind, and where can they go to get justice, because not in every case is that being done at the moment?

James Brokenshire: I would be very interested to hear any further details from the hon. Gentleman in relation to cases he is pointing to. I know the Minister for Housing has had regular surgeries with a number of the families involved about the decision process and the support they are receiving, and indeed from the taskforce itself with the challenge and the information it gives me. I would be very pleased to meet the hon. Gentleman and talk to him about those cases. He is right: it is hugely humbling to meet the survivors and the bereaved, and see the dignity and humility that they show. I think many of us who were at the Speaker's reception earlier today will have felt that very keenly, with the profound impact it certainly had on me and I know on others in this House, too.

Dame Margaret Hodge (Barking) (Lab): Mr Speaker, I am sorry I could not join your Speaker's reception today, because I was with those of my constituents in Barking—on Barking riverside—who are the survivors and victims of the terrible fire that took place yesterday. I hope you will give me a little leeway in what I have to say.

The pictures on the estate are horrific. Thankfully, nobody died, but had that fire taken place at night, I think people would have died. Literally the whole building was engulfed in flames within six minutes. The residents I met have lost their homes, their possessions, children's toys, family photos and personal mementoes, and what I came across in my meetings this morning was trauma, grief and anger.

These are early days and it is appropriate that a proper investigation takes place, but let me raise three issues with the Secretary of State that arose out of my visit this morning. First, it absolutely shocked me that the fire alarms that should have been in place and operating were not working and that there were no sprinklers in this block of flats, because they were not considered necessary. This is a block of flats that was built only seven years ago.

Secondly, timber was used, and it was used really in a decorative way. Allegedly—and this is so shocking—that timber had not been treated. What I have been told is that the regulations are such that, because the building was only a six-storey building and therefore not 18 metres or higher, there was no necessity to have that sort of regulation. That is shocking. How on earth can that be possible in this day and age?

Thirdly, I want to talk about who is responsible. When we walk on to an estate like that, there is a freeholder, a developer, a builder and subcontractors, while the developer sells on to other people and there are then leaseholders and people in buy-to-let. There are myriad people who have a role to play there, and nobody is accountable. Everybody I talked to today on that side of the fence wanted to pass the buck and pass on responsibility.

I have to say to the Secretary of State that, at the end of the day, when lives are at risk he has to be responsible, and he has to empower local authorities, through him, to take responsibility. We are talking about protecting our people—the most important duty we have as elected representatives. It is no good passing the buck to other authorities. I hear what the Secretary of State says, and he does talk a lot of words. I urge him to recognise that now is the time for action. Two years on from Grenfell, we should not have had another fire.

James Brokenshire: I thank the right hon. Lady for what she has said and the points that she has made on behalf of her constituents. I do not know whether she heard it, but I indicated at the start of my statement that I would be visiting Barking later this evening. Certainly, I would like to speak to her after the formalities here today, to co-ordinate and to hear some of the feedback that she has represented on the Floor of the House this afternoon.

There are two elements that the right hon. Lady highlighted to do with fire alarms and the nature of the timber used on the balconies. This is still subject to investigation and review of precisely what went on, but I can assure her that I have asked the Building Research Establishment to provide technical expertise on investigating the reasons for the speed of the fire's spread. The expert panel will be asked to issue further guidance urgently, and the wider circumstances will be looked at in our review of wider building safety. She makes the point powerfully about responsibility—having one person clearly responsible for the management and safety of a building—which is at the heart of Judith Hackitt's review. That is precisely what is at the heart of the reforms, and I look forward to continuing the discussion with the right hon. Lady.

Tom Brake (Carshalton and Wallington) (LD): The Secretary of State has been asked on a number of occasions whether he would be willing to name and shame private landlords who do not take the action necessary. Will he confirm whether he is willing to do that, and if so when, to put pressure on them to take action and make that unnecessary? Secondly, I do not want him to comment on the legal case being launched by the Grenfell survivors against Arconic, Celotex and Whirlpool in the US, but what role, if any, does he see the Government playing in relation to that case?

James Brokenshire: On the latter point, I have only seen some of the press reporting on that litigation, so it is difficult for me to comment, not knowing at this point the detail and nature of the litigation that is contemplated. The right hon. Gentleman highlights the issue of responsibility. We have clearly set out those who have acted in a responsible way and underlined quite starkly those who have met their obligations. Clearly, those who have not are still subject to further work from local authorities. I have stressed again the enforcement powers

available and the way in which we are supporting local councils in doing that, but the key thing is that we get on with this work and make those buildings safe.

Thangam Debbonaire (Bristol West) (Lab): When in 2014 the all-party parliamentary fire safety rescue group asked the then local government Minister in the coalition Government to act on the coroner's recommendations, published in 2013, after the six deaths in the Lakanal House fire in 2009, that Minister said that he had not heard anything to suggest that the changes were urgent. After the all-party group said that it would go public on his inaction if there was ever another major fire tragedy, he finally announced a review just before the 2015 general election, in which he lost his seat. He has since said that the incoming 2015 Government dropped his pledge. Maybe he is wrong, so is the Secretary of State completely certain now, 10 years after the Lakanal House fire—not just two years since Grenfell—that every recommendation that the coroner made has been implemented? If not, why not?

James Brokenshire: The hon. Lady has made various statements in respect of what did or did not happen at that time. It is precisely those elements that are part of phase 2 of the public inquiry, and it is right that there should be that proper scrutiny and investigation. Phase 1 is about what happened on the night, phase 2 is about the broader issues, and that inquiry will provide the scrutiny and detailed challenge that I think she is looking for.

Matt Rodda (Reading East) (Lab): I thank the Secretary of State for his update. Two years is a very long time. I can only imagine the suffering and stress that the residents of Grenfell and the local community have had to endure in that time. Many other residents around the country, such as those in Reading living in flats with dangerous cladding, have also endured suffering and stress. Will the Secretary of State now commit to take urgent action? Will he visit Reading to see the flats in my constituency that are covered in dangerous cladding, as well as other buildings that may be dangerous, such as overcrowded houses in multiple occupation and shoddy conversions of office accommodation into flats?

James Brokenshire: On the last point, the hon. Gentleman may be aware that we are conducting an examination of some of the evidence around office-to-residential conversions. The point he makes is one that I have heard, which is why we are pursuing the issue further. He makes various other points about his constituents and residents. If there are particular points he wishes to make to me, my ministerial colleagues and I stand ready to respond to him. His call for action is one that I hear and will respond to.

Marsha De Cordova (Battersea) (Lab): Two years on from the Grenfell fire, thousands of people are still living in homes wrapped in unsafe, dangerous cladding. My constituents are living with unnecessary stress, anxiety and worry due to the unsafe cladding on their blocks. The Secretary of State says that the funding has now been made available for those living in privately owned blocks, but there is no deadline or timeline set for the removal of the unsafe cladding. Will the Secretary of State today confirm what timeline is being set, not just for local authorities but for the owners of private blocks, to ensure that unsafe cladding is removed more quickly?

James Brokenshire: As I indicated in a previous answer, we intend to make it a condition of the funding that there is a clear timeline and that actions are shown to be taken in terms of the work that is needed. It is not that there is a lack of intent or urgency, but some of the works required are highly complex and it is therefore difficult to set a hard deadline in the way the hon. Lady wants. However, her call for action and urgency is one that I hear loud and clear. That is the way in which we intend to operate the fund.

Chris Ruane (Vale of Clwyd) (Lab): Ann Jones, my colleague who represents the Vale of Clwyd in the Welsh Assembly, has sponsored legislation in Wales to introduce sprinklers to prevent such fires. In response to the hon. Member for Stafford (Jeremy Lefroy), the Secretary of State said that he will look all over Europe for best practice on fire prevention. Will he look at this best practice from Wales and see if he can introduce it?

James Brokenshire: My right hon. Friend the Secretary of State for Wales, who is on the Government Front Bench, indicates that that proposed legislation may not be taken forward by the Welsh Government. On the hon. Gentleman's broader point on the assessment of the utility and use of sprinklers, we need to look very carefully at the evidence. As part of the review of the current building regulations, we are doing precisely that. There are already obligations in England for new build blocks above 30 metres in height to have sprinklers. We are looking at what is known as Approved Document B, which is a technical document that deals with building regulations, so we can better assess the evidence for sprinklers being used in new buildings.

Ford in Bridgend

5.23 pm

The Secretary of State for Wales (Alun Cairns): With your permission, Mr Speaker, I would like to make a statement about the future of Ford's engine plant in Bridgend, south Wales.

On Thursday, Ford announced the start of a consultation with its unions concerning the potential closure of the Ford Bridgend engine plant in south Wales. I am not going to understate what a bitter blow this is to the 1,700 skilled and dedicated workers at Ford in Bridgend and their families, to the many more people and businesses who supply the plant, and to the town of Bridgend and the wider community. Our focus will be on working with Ford and the unions to understand the challenges and opportunities and to gain the best possible outcomes. I have spoken with the company, the unions and colleagues across the House. Colleagues at Jobcentre Plus are standing ready to provide advice and support to people, if required.

I live close by and absolutely understand the importance of this plant to the local community. The site has been worth over £3 billion to the local economy over the last 10 years. The town of Bridgend has proudly been home for 40 years to a world-class engine manufacturing facility. Ford has relied on Bridgend and Dagenham to supply one third of its total engines worldwide—a fact held with great pride by the employees.

We have known for some time that the production of the Sigma engine was coming to its natural end and that the Jaguar Land Rover contract would not be renewed, but the news that the Dragon engine may no longer be produced in the UK is disappointing, to say the least. It is very disappointing that it could be taken out of the UK and, in fact, out of Europe, to be manufactured in Mexico. That underlines that this was not a decision about Brexit. The decision was about the challenging conditions faced right across the global automotive sector.

Bridgend has been particularly impacted by the downturn in Ford's share of the passenger vehicle market in Europe, with volumes of the new Dragon engine falling significantly below the installed capacity at the site. Ford is restructuring its business across Europe to significantly decrease structural costs and allow for investment in future electrification. To that end, it is optimising its European manufacturing footprint and reducing operations in France, Germany and Spain. Bridgend is significantly underutilised, with projections of the number of engines that it will produce falling far below what would be commercially viable in a single plant. Bridgend also faces a significant cost disadvantage compared with other Ford facilities around the world building the same engine.

I have spoken to my right hon. Friend the Business Secretary, colleagues in the Welsh Government, the trade unions and other representatives since Ford's announcement last week. The Business Secretary and I have spoken with local Members of Parliament, too. Together, we will continue to engage with all stakeholders and elected representatives. Although the hon. Member for Bridgend (Mrs Moon) cannot be in the Chamber today, I spoke with her on Friday.

We in the UK Government are committed to working closely with the Welsh Government and the local community to ensure that south Wales's justified reputation as a place of industrial excellence in manufacturing and technology is maintained and expanded. On Thursday, the Welsh Government's Minister for Economy and Infrastructure announced the establishment of a taskforce to work with partners over the difficult weeks and months ahead to find a sustainable, long-term solution for the plant and its workforce. UK Government Departments and I will play a full and active part in that body. That builds on the existing group that has been working jointly since it was confirmed that the Jaguar Land Rover engine would end in 2020. It is important that it builds on the Honda taskforce, working together to support the automotive industry in general.

We are already looking at opportunities to attract new investment to the area. I remain optimistic that south Wales is an attractive proposition and place for industry to operate from. In fact, over the last two years, I have been in Japan, China and the USA to promote the opportunities that Wales presents for the advanced manufacturing sector and our modern industrial strategy. Last year, Aston Martin announced that it will bring the production of the DBX vehicle there, which will create 750 jobs for St Athan. Last September, it announced a further £50 million investment that will make south Wales the home of its electric vehicle range.

I and many other colleagues across the House have worked hard over the last three years to make the case for investment in Britain. Despite the devastating news for south Wales operations, Ford's commitment to the UK will remain as a major employer of some 10,000 people, with other significant operations in the country, including Ford's technical centre in Dunton, Essex, which is home to Ford's European market-leading commercial vehicle business; Ford's engine facility in Dagenham, where it will continue to produce diesel engines; Ford's mobility innovation office in London, where it will develop future mobility solutions in Europe; and the Halewood transmission plant, producing transmissions for cars such as the Ford Fiesta.

It remains the case that Ford, as an American company with a century-long history of operating successfully in the UK, undoubtedly recognises our international reputation as a place to do business, with skilled and innovative staff, access to innovation and a strong determination to make those strengths even greater in the years ahead. This is the Government's ambition, as is well evidenced by the steps we have most recently taken to build on the successes of our automotive sector deal.

Our Advanced Propulsion Centre has awarded grants worth more than £800 million to more than 150 organisations across the UK. Just last month, the Under-Secretary of State for Business, Energy and Industrial Strategy, my hon. Friend the Member for Pendle (Andrew Stephenson), announced a further £28 million of support to further enhance our UK Battery Industrialisation Centre, giving investment of more than £100 million in a world-leading facility to enable industry and academia to put the UK at the forefront of bringing battery technologies from the lab into the next generation of vehicles to drive on our streets. Working with industry, £80 million of investment through our driving the electric revolution programme will see support for innovation in electric motor technologies.

We are determined to ensure that the UK remains one of the most competitive locations in the world for automotive and other advanced manufacturing.

The announcement of this consultation by Ford is a disappointing blow, but the Government's bold mission to put the UK at the forefront of the design and manufacturing of zero emission vehicles presents significant new opportunities for the UK. That includes new industries and ventures that will be well suited to the skills and expertise of those dedicated workers at Ford and their suppliers. I remain committed to ensuring that Bridgend and other parts of Wales benefit from that work. We will continue to work with the Welsh Government and our many partners across the industry as we seize the opportunity for Britain to provide great jobs and careers for hundreds of thousands of people across our country in the years ahead. I commend the statement to the House.

5.31 pm

Christina Rees (Neath) (Lab/Co-op): I thank the Secretary of State for advance sight of his statement.

Last Thursday's news of the closure of the Ford plant in Bridgend was absolutely devastating for the exceptional workforce, their families, the town of Bridgend and the wider south Wales community. As a former Bridgend county borough councillor, I completely understand. It is absolutely devastating for the businesses in Ford's supply chain and the tens of thousands employed in them, and it is absolutely devastating for the automotive sector, UK manufacturing and our entire economy. Ford must rethink its plans to strip away 1,700 highly skilled, quality jobs from the area, and the UK Government must do all they can to support those dedicated workers.

This news is disastrous for all concerned. The chaos caused by the Tory Government's calamitous handling of Brexit, coupled with the Secretary of State's continuing inability to stand up for Wales, has allowed Ford to deliver a hammer blow to the workers in Bridgend and the Welsh economy. This is a betrayal of the hard-working and loyal staff who have been committed to delivering savings in making the Bridgend plant one of the most efficient in the world.

It is clear that Ford needs urgently to reverse this treacherous decision and to stand by the highly skilled workforce in Bridgend, rather than chasing profits via cheaper markets in places such as Mexico and India. It is disgraceful that Ford no longer produces a single vehicle in the UK despite its growing market share of car sales. Companies such as Ford originally chose to locate production plants in the UK because it was renowned for its skilled workforce and seen as economically stable compared with other turbulent markets across the world, but the Government's botched Brexit has changed this. It is causing chaos and uncertainty and undermining business confidence.

Ford is just the latest in a long list of companies, including Airbus, Nissan, Honda and Jaguar Land Rover, to halt investment, cut jobs or close plants as a direct result of this uncertainty. We know that the Tory Government offered Nissan a deal. Was Ford offered a deal? There can be no doubt that this Government's reckless threats of no deal, accelerated by a self-indulgent leadership contest with hard-Brexit contenders, is having an impact on business decisions across the UK, not just in Wales. Yet again, this is catastrophic news for Wales—news that has come as a direct result of UK Government shortcomings where Wales is concerned and that follows their shortcomings on rail electrification, the Swansea Bay tidal lagoon and the steel industry. This is just one of a string of failures on the Secretary of State's watch. I call on him to apply pressure on Ford to do the right thing and rethink its catastrophic plans.

I thank my hon. Friend the Member for Bridgend (Mrs Moon) for all the work that she has done to support the plant and its workforce, now and in many previous years. I also thank my hon. Friend the Member for Ogmore (Chris Elmore)—who represents the neighbouring constituency—for all that he is doing to support the many hundreds of people in the area who are being affected. I thank other Welsh Labour Members whose constituents work at Bridgend Ford and in its supply chain, and I thank the trade unions.

The automotive industry is the backbone of our manufacturing sector, supporting highly skilled, quality employment and making an enormous contribution to our economy, but its future, in Bridgend and across the UK, is in jeopardy. I call on the Secretary of State to do now what he has failed to do previously and stand up for Wales. He must speak with Cabinet colleagues to seek the financial support and stimulus which will match what has already been committed by the Welsh Government.

Alun Cairns: I thank the hon. Lady for her comments, but I must express disappointment in the tone that she chose to take, which contrasted with the tone adopted by both the Welsh Government and the unions.

Earlier, the Business Secretary and I spoke to Ken Skates, the unions and many local Members of Parliament as part of a communications plan to share our ambitions and discuss the steps that we will take before the taskforce meets, hopefully later this week. Ken Skates and I will be joint vice-chairs of that taskforce and there will also be a chair from industry. That demonstrates the joint approach that we are taking, in a constructive way, recognising that this is a commercial decision made by Ford because of the change in the marketplace caused by the shift from petrol and diesel engines to electric vehicles. I commend the Welsh Government for the joint working that they have demonstrated so far, and I commend the unions for their engagement and the tone that they have adopted in the discussions.

Like many other Members, the hon. Lady pointed to Brexit. Those Members are being somewhat selective. It is right that the manufacturing sector, in particular, seeks a stable economic environment from which to export to the European market, but Ford was a strong supporter of the Prime Minister's deal, which the Labour party chose to vote against. Whatever uncertainty exists over the Brexit negotiations, I think that the hon. Lady and other Labour Members need to accept their responsibility. They played a part in that. They have been highly selective in quoting comments and recommendations from Ford.

The hon. Lady was right to say that this is a highly efficient plant with a very skilled workforce. We will continue to work to attract investment in the site, be it from Ford—although we have not succeeded in doing that since the Jaguar Land Rover engine contract was announced—or others. We will also engage with other potential investors in the Brocastle site, which is adjacent to the Ford plant. We are in discussion with some potential investors at a mature stage, but it will be up to those organisations to make the final decision about whether to invest. We are in discussion with other

[Alun Cairns]

organisations in the automotive sector that could provide exciting opportunities. We all recognise the skill and the quality of the workforce. The potential investors recognise it, which is why they are engaging so positively with us and with the Welsh Government. I also underline that Ford job losses are also taking place in Europe: there have been 5,000 job losses in Germany as well as job losses and shift changes in Spain.

In closing my response to the hon. Lady, I remind her that there are now 100,000 more manufacturing jobs in the UK economy and 13,000 more manufacturing jobs in Wales than there were in 2010.

David T. C. Davies (Monmouth) (Con): Does my right hon. Friend welcome the fact that so many politicians in Cardiff Bay and London who only last week were proclaiming climate change emergencies and competing for who could demand the fastest possible ban on petrol and diesel engines have suddenly become champions of the manufacturing of petrol and diesel engines in this country?

Alun Cairns: My hon. Friend makes an important point and highlights the shift taking place in the industry from petrol and diesel engines to electric vehicles. Some manufacturers are trying to catch up with the fast-changing consumer demand, but it is absolutely right that the UK is at the forefront of this technology, which is why we are investing so much in the sector to ensure we are active in the next generation of motor vehicles.

Alan Brown (Kilmarnock and Loudoun) (SNP): I thank the Secretary of State for early sight of his statement. May I say on behalf of the SNP that our thoughts are clearly with the workers at Bridgend and those in the supply chain?

My constituency has suffered severe losses in manufacturing over the years, so I fully understand the devastating impact this can have on local communities, including the knock-on effects on shops and service providers. What supply chain impact assessment has been done as a result of the decision by Ford? What funding guarantees can be given to match Government actions, rather than just warm words?

The Secretary of State said that Brexit is not responsible for this decision, but Ford was one of the companies that warned of the dangers of a no-deal Brexit, so when will this Government rule out a no-deal Brexit to stop any further job losses in the manufacturing sector?

Alun Cairns *rose—*

Alan Brown: I have a few more questions.

The Secretary of State said in his statement that Bridgend faces cost disadvantages compared with other Ford plants doing the same work. How long has this cost disadvantage issue been known about and what opportunities have the Government looked at to overcome that and to support the plant? What opportunities have been identified by the existing working group, formed in 2018, to plug the gap by the loss of the Jaguar Land Rover contract and how will the new taskforce build on that and identify the much bigger gap and challenge that needs to be overcome? What future investment will the UK Government make to ensure there are no further cost disadvantages to any companies located in this area? The Secretary of State also said they were already looking at opportunities for investment in the area, so can he give timescales for positive announcements on the opportunities that have been identified?

I understand why the Secretary of State gave assurances about the other Ford plant operations across the UK, but how robust are those assurances? Padding out his statement by mentioning a £28 million investment in Coventry, £800 million in UK-wide grants from the Advanced Propulsion Centre and £80 million for the electric revolution programme is of absolutely no comfort to the Bridgend workers. What we need to hear is that the right actions are being taken now, not platitudes.

Alun Cairns: The hon. Gentleman raises an important point about supply chains and that was considered as part of our conference call discussing the formation of the taskforce. Work is undergoing to map the suppliers who supply Ford in Bridgend. We plan to then cross that over with the same work that is being done in relation to Honda in Swindon. A supplier might well be able to manage better the hit from one automotive manufacturer. The hit from two could obviously cause greater challenges and we want to work to respond to that. On funding, whatever support has been provided to the suppliers to Honda in Swindon is equally available to those who supply Ford in Bridgend.

The hon. Gentleman again points to Brexit, but I say to him that the automotive sector was a strong supporter of the deal the Prime Minister and the Government have agreed with the European Commission. The hon. Gentleman would do well to heed all of the sector's message, if it wants to repeat some of the statements that it has made.

In relation to opportunities, the Government are investing significantly in the next generation of automotive vehicles not only through UK Government public funds but through attracting private investment in this field. Some of these investors are looking at locations in Europe and in the UK, and those are the organisations that we are naturally engaging with to ensure that the UK continues to play an active part at the forefront of this sector.

John Redwood (Wokingham) (Con): Will the Government now review the very high vehicle excise duties they have imposed, as well as the squeeze on car loans and the regulatory uncertainty about buying new petrol and diesel, because these are all factors that have done a lot of damage to demand and output in the UK car industry?

Alun Cairns: My right hon. Friend makes the important point that Europe faces similar challenges. I have already pointed to the 5,000 jobs that have been lost in the automotive sector in Germany, and we are seeing similar challenges in Spain and elsewhere. Many of these issues are being driven by consumer demand, but some are being driven by regulation, and I think every regulator needs to reflect on the demands from the climate change challenge together with the risks that it poses in the short term until the technology catches up.

Chris Elmore (Ogmore) (Lab): I should like to start by welcoming the Secretary of State's statement, and I thank him and the Business Secretary for the constructive way in which they have engaged with me as the Member

for the neighbouring constituency, in which a large majority of the workforce actually live, and with my hon. Friend the Member for Bridgend (Mrs Moon). We have been meeting the workforce and the unions over the weekend, and I welcome the way in which they are working with the Welsh Government.

It is reassuring to hear the Secretary of State say that he is willing to work in the taskforce and to do all he can to help to support the workforce, but can he set out here and now what he will do if there is a need for UK Government fiscal intervention to protect those jobs and possibly to make Ford change its mind? I believe that Ford still has questions to answer, given that just three weeks ago it was talking about the Dragon line being the most efficient of any of the plants across the world, including in Mexico.

My priority will be the families in my constituency who will be left devastated by this and the communities in my constituency that have not recovered from the de-industrialisation of the 1980s. This really will be a hammer blow to so many of them right across Ogmore, Bridgend, Aberavon and many other constituencies. We need a fiscal stimulus package and an automotive sector deal so that we can protect these jobs and these workers and ensure that these families have some security beyond September 2020.

Alun Cairns: I am grateful to the hon. Gentleman for raising those points and for his comments and contributions in the call that we had earlier today. He rightly points out that this is a consultation from Ford, and we will therefore work closely with the unions in challenging the assumptions and statements that Ford has made where we believe them not to be the case.

The UK has a good record of investment in this sector. According to the latest available data, there is a 20% uplift in investment in the automotive sector, which demonstrates that we still remain attractive. We will of course work closely with the Welsh Government on attracting investment to the area, to serve the hon. Gentleman's constituents and the employees who come from a much wider field than just the community of Bridgend. We remember that there was a Ford plant in Swansea not so long ago and that people travelled to that. The effects therefore stretch much further west, east and north than just the Bridgend site.

The Welsh Government clearly have a responsibility under the devolution settlement for economic developments, but we will continue to work closely with them, as well as with the Department for International Trade, the Department for Business, Energy and Industrial Strategy and the whole might of Whitehall to support the employees by attracting investment to that site.

Mr David Jones (Clwyd West) (Con): The shadow Secretary of State, the hon. Member for Neath (Christina Rees), has sought to blame Brexit for Ford's decision, but Stuart Rowley, the European President of Ford, has said in terms that it has nothing to do with Brexit. He has also said that

"if Brexit had never happened, would there be a different decision, and the answer to that is no."

Does my right hon. Friend not agree that it is particularly regrettable that Opposition Members should seek so cynically to exploit the personal tragedy of 1,700 people for such nakedly political purposes?

Alun Cairns: I am grateful to my right hon. Friend for underlining the points in relation to Brexit, because Ford has stated clearly that Brexit has nothing to do with this decision. Furthermore, there would be more credibility in the Opposition's points about Brexit if the engine plant was being shifted from the UK to anywhere else in the European Union, but we know that production is being shifted to Mexico. Therefore, I do not think the Brexit argument stacks up, and my right hon. Friend makes an important point that it is disappointing that many people will still refer to Brexit, which will undermine the potential for further investment in the site.

Stephen Kinnock (Aberavon) (Lab): This is a devastating blow for the workforce, many of whom are from my Aberavon constituency. The Secretary of State keeps saying that the situation in other EU countries is also difficult, but none of them has seen investment in the automotive sector drop by 80% in the past three years. The fact is that this Government are like a driverless vehicle and have been for the past three years. Their botched Brexit and general incompetence have seen confidence drain away from the automotive sector. When will we see a proper industrial strategy that helps the sector move from diesel and petrol to electric?

Alun Cairns: The hon. Gentleman makes an important point about the need to attract investment in this sector, but he is somewhat selective with the data that he presents. All automotive manufacturers have had challenges to meet in relation to changing consumer demand. For example, the UK is leading the way in attracting investment in the sector, and not only in terms of the scale of the money that I have already highlighted. Some 20% of all electric vehicles sold in Europe are manufactured here in the UK, which demonstrates that we are playing a prominent role.

Stephen Crabb (Preseli Pembrokeshire) (Con): It is true that this sad announcement has come during a once-in-a-hundred-year change within the global automotive sector, and so much of European automotive manufacturing finds itself on the wrong side of that change. Does my right hon. Friend agree that that underlines the need for a proper, joined-up industrial strategy for Wales, linked up between Cardiff and Westminster, with a focus on skills and education, which are not good enough in Wales, on improving transport, which is not good enough in Wales, and on improving and creating a more pro-business environment across the whole of Wales?

Alun Cairns: The UK's modern industrial strategy clearly sets out the foundation for an approach across the UK that includes the automotive sector deal and other deals across a whole range of sectors, and the Welsh Government's economic action plan dovetails well with that. However, my right hon. Friend makes an important point that we need to continue to work closely to ensure that the implementation of all that is as efficient as it should be, to be attractive to investors and to avoid extra complication due to the devolved Administrations. My right hon. Friend the Business Secretary, Ken Skates and I talk regularly about our ambitions to attract investment on a joint basis, and we work closely with the Department for International Trade, too.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): The Secretary of State has been on an interesting journey from supporting remain during the referendum, when he said that the people of Wales could "suffer enormously" if they voted for Brexit, to supporting the most extreme Brexiteer in the Tory leadership—a reckless no-dealer. The reality is that we have a Secretary of State representing my country who is more interested in his own career than in the jobs of thousands of manufacturers back home in Wales.

Alun Cairns: The hon. Gentleman wants an independent Wales, but I am unsure what opportunities that would create for attracting investment in the Welsh economy. He will be well aware that I am a strong supporter of a deal with the European Union, but I have also stated clearly that maintaining no deal as an option, a challenge and a risk, both for the European Union and for the UK economy, focuses minds on gaining a deal. A deal will also create the best opportunities for the UK and European economies to continue to attract investment and to gain access to one another's markets.

Jeremy Lefroy (Stafford) (Con): I will never forget the incredibly warm welcome I was given by my colleagues at Ford in Bridgend when I started there as a foreman in 1980, just a short time after it opened. I view this situation with huge sadness, which is why I urge the Secretary of State and the Business Secretary, who is sitting next to him, to do everything in their power to ensure that this factory continues, whether with Ford or with anybody else. In fact, Ford used to have a strong presence in Wales—not just in Swansea but also at Treforest, where it made sparkplugs. It is a great site, with railway and motorway links, and it must employ at least 1,700 people in the future, if not more, in high-quality manufacturing jobs. It deserves it.

Alun Cairns: My hon. Friend makes an extremely important point and speaks with passion and real understanding based on his experience of having worked at the site. He talks about the warm welcome, but the workforce has responded efficiently since the time he would have been working there to the opportunities to become one of the most efficient engine plants in Europe, which is commendable. There will be a great opportunity to attract further investment to the area not only because of the skills and assets among the workforce, but due to the site's attractiveness. He mentions connectivity, with the site being close to the motorway, and I would also highlight the railway line that goes directly to the site, which is used to take the engines that are currently manufactured to the midlands and Europe.

Richard Burden (Birmingham, Northfield) (Lab): The circumstances facing Bridgend are obviously different from those that surrounded the collapse of MG Rover at Longbridge over a decade ago, but I still know something about the impact that the closure of a major car plant can have not only on jobs, but on a community's sense of identity. The first message from this Chamber must therefore be one of solidarity with the workers of Ford at Bridgend and their families.

May I ask the Secretary of State two things? First, he said that he met the company, so has he suggested any alternatives to closure? If so, what were those alternatives; I did not hear them in his statement? Secondly, while Brexit may not be the immediate cause of this announcement, he knows that it is relevant to virtually every decision that any automotive manufacturer is making at the moment. Is this news not just further evidence that we must avoid no deal at all costs?

Alun Cairns: The hon. Gentleman makes an extremely important point about the sense of identity, and we view those comments positively because of the ownership that is felt in the community around the plant. However, it stretches far wider than that, which is why I was so keen to engage positively with the unions before the announcement became public, and I have also spoken to them on several occasions subsequently. As for challenging the assumptions that Ford has made, we will of course work closely with the unions, which have a better understanding of the actual factors in play within the plant. We will then work in challenging Ford on those issues.

I say to those who seek to try to blame Brexit for the decision that we are working hard to attract investment both to this site and to Wales. Opposition Members seek to misrepresent the position, because Ford has clearly stated that it proposes to take the production of the new engine to Mexico. I hope that people will not want to bring too much politics into the reality of trying to attract investment.

Kevin Brennan (Cardiff West) (Lab): The Secretary of State represents the constituency next door to the plant, yet he will not rule out a no-deal Brexit. That is utterly irresponsible and provides the context, even if not the immediate cause, for why the automotive sector in this country, including at Ford in Bridgend, is on the brink, with 10,000 jobs at risk, with 50,000 more in the supply chain. When is he going to show some leadership?

Alun Cairns: Maybe I should answer that question with another question. When will the hon. Gentleman vote for the deal to provide a stable environment in which to continue exporting to the European Union?

Owen Smith (Pontypridd) (Lab): In February 2019, Ford said explicitly that the possibility of a no-deal Brexit was jeopardising its investment in the UK, including at Bridgend. Ford reportedly said directly to the Prime Minister that she must rule out a no-deal Brexit, lest we lose jobs. Just last week, the head of Make UK, representing manufacturing across this country, said that there is now a direct causal link between the threat of no deal by Conservative Members who are vying for the leadership, including the Secretary of State, and the loss of manufacturing jobs. How many more jobs do we need to lose in Wales and elsewhere before he tells the right hon. Member for Uxbridge and South Ruislip (Boris Johnson) that we must never have a no-deal Brexit?

Alun Cairns: The hon. Gentleman quotes Ford from February, but I can quote Ford from before each and every meaningful vote in this House. It is strange that he is happy to heed Ford's calls when it suits him but did not respond to its calls to vote in favour of the deal that the Prime Minister agreed with the European Commission. On job numbers, I point to the record job creation numbers we have seen in Wales in recent times, which compare favourably with when his party was in government.

Nick Smith (Blaenau Gwent) (Lab): Some 27% of our output in the Gwent valleys comes from manufacturing, and some of our leading employers in Blaenau Gwent are in the automotive sector. Can the Secretary of State guarantee that Ford workers and suppliers will get the same package of financial support that was offered to Honda just up the M4?

Alun Cairns: Yes, I can. I have already stated that the support made available to Honda and its supply chain will be available to Ford and its supply chain. The hon. Gentleman makes an important point about the manufacturing sector, which is extremely important to the Welsh economy. I am sure he shares in the recognition that there are now 13,000 more manufacturing jobs in Wales than there were in 2010.

Jessica Morden (Newport East) (Lab): Ford's announcement is indeed a bitter blow for workers at Bridgend and will be felt across south Wales, and all our efforts should be put into supporting those who are affected. With the car industry in crisis, the steelworkers I met on Friday at Cogent, owned by Tata, want the Government to be proactive in helping to develop and support the supply chain for electric vehicles. Companies like Orb have the workforce and the expertise, but what will the Government do to support such companies through the industrial strategy for the future of this industry?

Alun Cairns: The hon. Lady highlights the £1.1 billion that has been made available through a range of schemes, including the Faraday challenge, the Stephenson challenge, the autonomous vehicle initiative and the advanced Propulsion Centre. These schemes are available to companies across the whole UK, and many Welsh organisations are making active use of them.

Nick Thomas-Symonds (Torfaen) (Lab): Whether in terms of its impact on just-in-time manufacturing, on tariffs or, indeed, on regulatory alignment, no deal would be a disastrous outcome for manufacturing. Does the Secretary of State agree that anyone who wishes to keep that outcome on the table as a credible option simply is not putting Wales first?

Alun Cairns: Steven Armstrong, the head of Ford Europe, explicitly said:

"It's important that we get the agreement ratified that's on the table at the moment."

I was happy to vote for that agreement. Was the hon. Gentleman?

Albert Owen (Ynys Môn) (Lab): I join the Secretary of State in praising the Welsh Government and the trade unions for the tone they set over the weekend. My thoughts are with the families.

The Business, Energy and Industrial Strategy Committee has looked into Brexit and the effect it will have on the manufacturing sector. The automotive sector was very clear that the current deal suits it and that no deal would be an absolute disaster. The Secretary of State has a responsibility today, in making this statement, to give assurances to the Welsh workforce that he will rule out no deal. Will he tell his favoured candidate that that is what the ultimate representatives are saying? Let him not ignore them.

Can we have an industrial strategy that is nimble enough to help those affected by these closures, liquidations and, yes, suspensions, which are becoming a trend?

Alun Cairns: The hon. Gentleman points to the statements from the motor manufacturing sector that the current deal suits the sector.

Albert Owen: The current deal with Europe.

Alun Cairns: The hon. Gentleman talks about remaining in Europe, but the sector strongly supports the deal that the Prime Minister negotiated with the European Commission. The Government and I responded positively to the sector's statements. Perhaps he should have also supported the sector and responded to it at that time, too.

Tonia Antoniazzi (Gower) (Lab): A constituent of mine, like many other workers, has been back to the plant today and took the time to message me. He says that Ford is telling the workers that the plant is no longer viable. This is a bitter pill to swallow because the UK has been one of Ford's best markets throughout the years. The employees feel that the plant has been manipulated by Ford into no longer being viable.

I have two questions for the Secretary of State. In a potential post-Brexit United Kingdom, where will the 1,700 jobs in south Wales—plus the impact on the supply chain—come from? Moreover, will he explain why he believes that the right hon. Member for Uxbridge and South Ruislip (Boris Johnson) will be the saviour of the future prosperity and wellbeing of the people of Wales? I and many of my colleagues believe that actions speak louder than words, and the only words I have heard from the Secretary of State today are potential, not action.

Alun Cairns: The hon. Lady asks where the jobs will come from, which is a reasonable and fair question. We work closely with the unions and the Welsh Government in seeking to exploit every opportunity to attract investment to the site, be it from Ford or from any other manufacturer or organisation. The UK's industrial strategy clearly sets out ambitions for the UK to become a leader in the next generation of automotive. The Advanced Propulsion Centre, the Stephenson challenge and the Faraday challenge, from which Welsh companies are already significantly benefiting, highlight why we have seen such a sharp uplift in investment in the sector for the latest full-year statistics that are available, and for the opportunities that come thereafter.

I have already highlighted what Ford has said, but I can also point to Aston Martin, McLaren and Toyota. So many organisations that either operate or are based in Wales, or elsewhere in the UK, strongly support the deal that the Prime Minister has negotiated, but the hon. Lady chose to vote against it, which I find very disappointing.

Frank Field (Birkenhead) (Ind): Although the whole House is concentrating on the actions that the Government should take to save jobs at Bridgend, this news sends a chill down the spine of all car workers in this country and of those in the supply chain. I have workers at Vauxhall who must be very concerned. The Secretary of

[Frank Field]

State said earlier that he is working closely with the Business Secretary. Will the two of them bring before the House, as soon as possible, the proactive moves they are now making to save car jobs in this country so that we do not have another appalling statement like this one?

Alun Cairns: I am grateful to the right hon. Gentleman for making those points. The investment at Ellesmere Port is clearly important not only to his constituency but to the north Wales economy, where many of the employees will come from. Vauxhall, of course, has committed to investing in Luton, and we continue to discuss and attract further investment by Vauxhall, but this commitment demonstrates its interest and recognition of the UK workforce's expertise, both at Ford in Bridgend and in and around the right hon. Gentleman's constituency. I will happily meet him to discuss specific actions being taken that could also support his constituency.

Anna McMorrin (Cardiff North) (Lab): This closure is devastating news for families across Wales, including those affected in my constituency and across the whole of south Wales, and for the supply chain businesses affected, as a huge number of people are involved in the supply chain. The Secretary of State is wholly wrong to rule out Brexit being a causal factor in this decision. The former First Minister of Wales, Carwyn Jones, said today that closure was "never on the agenda" during his very recent private discussions with Bridgend Ford. So can the Secretary of State please rule out a no-deal Brexit and the irresponsible message he is giving to every manufacturer across the industry, across the UK and across Wales today? Will he give that assurance to the car industry and to everyone?

Alun Cairns: The hon. Lady suggests I am wholly wrong to rule out Brexit as a cause, but those are not my views; they are the clear statements that have been made by Ford, both in private and in public. There would be much greater credibility in the statements being made by people seeking to make party political advantage out of this position, which is disappointing, if Ford was moving its operations to the European Union. Clearly, Ford is not doing that; it is moving the engine manufacture to Mexico, which clearly highlights that this is nothing to do with our exit from the EU. She asks me to rule out no deal, but in order to rule that out, you presumably need to vote for a deal, and I have done so on each and every occasion.

Tom Brake (Carshalton and Wallington) (LD): The Secretary of State has quoted Ford's Europe chairman, Steven Armstrong, so may I quote him back to the Secretary of State? He said:

"We've been very consistent since the referendum that a hard Brexit, a no-deal Brexit, would be a disaster".

So does the Secretary of State believe that loose talk about delivering no deal by leading Tory leadership contenders damages the UK car industry or assists it? Does he think that if the Chancellor has a Brexit war chest, it should be spent on investing in the UK car industry, including in electric vehicles, rather than on tax cuts for the wealthy, as some are advocating in their leadership campaigns?

Alun Cairns: Again, the right hon. Gentleman quotes what Ford has said, but Ford also said, "Please vote for the deal." Perhaps he should answer the question of why he did not vote in favour of the deal.

Geraint Davies (Swansea West) (Lab/Co-op): My father, David Davies, was head of economic development at the Welsh Office in the '70s and was instrumental in getting Ford to Bridgend, with the help of inducements from a Labour Government, including the rail link the Secretary of State mentioned and other financial inducements. The Secretary of State knows that wages in Wales are the lowest in the UK, at 70% of gross value added, and that the impact of Brexit is in big companies such as Airbus, Ford and Tata realising that they will no longer be in that market and relocating and reducing their workforce. Will he therefore think again about providing a people's vote so that people can vote on whether they actually do want to leave, because people from that Bridgend plant who voted to leave did not vote to leave their jobs? Will he rule out any no-deal Brexit? Finally, will he make sure that none of the convergence funding that we currently get will be stripped away and given to other parts of the UK? If he will give none of those undertakings, will he resign?

Alun Cairns: The way in which the hon. Gentleman is pursuing the question suggests that this is a debate about Brexit, but Ford has said that it is not and is acting in a way that demonstrates that it is not. It is not about judging Ford's statements; it is about judging its proposals and the actions it plans to take arising from this issue. He is right in that the manufacturing sector, in particular, wishes to seek some certainty, and that is what we are seeking to bring about, but by voting against the deal on three separate occasions, the uncertainty over the economy has obviously been created.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Coming on the back of the similar announcement by Honda, this announcement by Ford will have a devastating impact on its workers and on the supply chain right across south Wales, including in my constituency. We absolutely need a co-ordinated response with the Welsh Government, local government and others, but may I ask the Secretary of State what immediate priority he will give in the coming days to ensuring that those in the company—the workers and the trade unions—are afforded all the support they need?

Alun Cairns: I am grateful to the hon. Gentleman for raising an important question, which absolutely will affect the employees in his constituency who work at the site. I have mentioned that the taskforce being established will have an industry leader, and Ken Skates and I will be the joint vice-chairs of that group. We will, of course, work closely with the UK Government Departments, the Welsh Government and the unions. I should also pay the greatest respect to the Welsh Automotive Forum for the work it has done in helping us to map the supply chains, many of which will be across not only Wales, but the rest of the UK. Over the coming days, we expect to be able to announce the chair of the taskforce. We have agreed that we want the taskforce to meet as quickly as possible and frequently, certainly in the early stages, and that we want to set up a number of working groups to tackle the individual issues that the taskforce will highlight, be it people, place or the potential for investment on that site.

Justin Madders (Ellesmere Port and Neston) (Lab): The workers at Vauxhall in Ellesmere Port send their solidarity to those in Bridgend who have lost their jobs and to those who are going to lose their jobs in the wider supply chain. As my right hon. Friend the Member for Birkenhead (Frank Field) said, we are concerned about what is happening to the car industry in this country. It seems to be disintegrating before our eyes and the Government appear to be powerless to stop it. I know that the Secretary of State has mentioned various aspects of the industrial strategy that we hope are going to reverse some of these damaging job losses, but self-evidently this is not enough. Please may we have more action, on business rates, on energy costs and on actually encouraging investment in the first place, because once these jobs go, they are gone forever?

Alun Cairns: First, let me say that Vauxhall is investing in Britain, and that should give the hon. Gentleman confidence as to the approach and attitude that Vauxhall is showing towards the UK economy. However, he is right to highlight the need for further investment. For the last full year for which data is available, business investment in automotive was £5.3 billion, which is a 20% uplift on the previous year. Clearly, these things will vary from tranche to tranche, so we need to be looking at the trend, rather than just seeking to overstate the figures in order to be selective. This is a positive environment, and automotive research and development amounts to 15% of total UK R&D, which highlights the importance that the private sector and the UK Government place on the automotive sector, so that we can provide the next generation of automotive vehicles.

BILL PRESENTED

EMPLOYMENT STATUS (DEFINITIONS)

Presentation and First Reading (Standing Order No.57)

Frank Field, supported by Nigel Mills, Steve McCabe, Justin Madders, Ronnie Campbell, Martyn Day, Albert Owen, Mr Virendra Sharma, Mr Roger Godsiff, Mrs Madeleine Moon, Gareth Snell and John Cryer, presented a Bill to amend the definition of worker and self-employed person; and for connected purposes.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 398).

Frank Field (Birkenhead) (Ind): Tomorrow when business collapses.

Mr Speaker: We are grateful to the right hon. Gentleman. More accurately put to the House at this stage, as we are not psychic, as simply tomorrow.

NATIONAL INSURANCE CONTRIBUTIONS (TERMINATION AWARDS AND SPORTING TESTIMONIALS) BILL (PROGRAMME) (NO. 2)

Ordered,

That the Order of 30 April 2019 (National Insurance Contributions (Termination Awards and Sporting Testimonials) Bill (Programme)) be varied as follows:

(1) Paragraphs (4) and (5) of the Order shall be omitted.

(2) Proceedings on Consideration and any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion two hours after the commencement of proceedings on the Motion for this Order.

(3) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of proceedings on the Motion for this Order.—*(Amanda Milling.)*

National Insurance Contributions (Termination Awards and Sporting Testimonials) Bill

Consideration of Bill, not amended in the Public Bill Committee

New Clause 1

REVIEW OF THE IMPACT OF CLASS 1A NATIONAL INSURANCE CONTRIBUTIONS ON TERMINATION AWARDS

"(1) The Secretary of State must, within 12 months of section 1 of this Act (termination awards: Great Britain) coming into force, undertake a review of the impact of the new Class 1A liability on termination awards in excess of £30,000.

(2) The review under section 1 must contain—

(a) an assessment of the impact the new Class 1A liability has on the level of termination payments workers receive;

(b) an assessment of the impact the new Class 1A liability has on employers;

(c) a distributional analysis of the new Class 1A liability; and

(d) anything else the Secretary of State considers appropriate.

(3) The review under section 1 must be laid before both Houses of Parliament."—*(Peter Dowd.)*

Brought up, and read the First time.

6.18 pm

Peter Dowd (Bootle) (Lab): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

New clause 2—*Report on the impact of Class 1A National Insurance Contributions on termination awards*—

"(1) The Secretary of State must, within 12 months of section 1 of this Act (termination awards: Great Britain) coming into force, lay before Parliament a report on the expected impact of the new Class 1A liability on termination awards in excess of £30,000.

(2) That report must contain an assessment of the expected impact on—

(a) the total net value of termination payments received by individuals;

(b) the average net value of such payments; and

(c) the number of business start-ups using termination payments as funding in their first year in each region of the United Kingdom."

New clause 3—*Report on the impact of Class 1A National Insurance Contributions on sporting testimonials*—

"(1) The Secretary of State must, within 12 months of section 3 of this Act (sporting testimonials: Great Britain) coming into force, lay before Parliament a report on the expected impact of the provisions of this Act on sporting testimonials.

(2) That report must contain an assessment of the expected impact on—

(a) the total amounts received by individuals from sporting testimonials; and

(b) donations made to charity from sporting testimonial proceeds."

New clause 4—*Report on Exchequer impact*—

"The Secretary of State must, within three years of this Act receiving Royal Assent, lay before Parliament a report on its Exchequer impact."

New clause 5—*Effects of termination awards provisions*—

"(1) The Treasury must publish reviews of whether the payment of Class 1A contributions on termination awards under sections 1 and 2 has had—

(a) any effect on the number of termination awards made above £30,000;

(b) any effect on the size of termination awards made above £30,000; or

(c) a disproportionate effect on—

(i) women,

(ii) pregnant women,

(iii) persons aged 50 or over, or

(iv) any other group of people with protected characteristics (within the meaning of the Equality Act 2010).

(2) The first review under subsection (1) shall be published no later than 24 months after this section comes into force.

(3) Subsequent reviews under subsection (1) shall be published no later than 24 months after publication of the previous review."

This new clause would provide for a general review of the termination awards provisions of this Act within every period of 24 months.

Amendment 1, in clause 5, page 5, line 39, at end insert—

"(3A) No regulations may be made under subsection (3) to bring section 3 or 4 into force until the Secretary of State has made a Statement to the House of Commons on the expected effects of the provisions of this Act on donations to charities by the recipients of sporting testimonial payments."

Peter Dowd: Although he is not here, may I welcome the new Financial Secretary to the Treasury to his post, and congratulate his predecessor, the new Leader of the House, on his elevation to the Cabinet? I understand that the elevation was short-lived, as he realised that he still had to sit across a table—a Cabinet table rather than a Treasury one—from the Chief Secretary. I expect that if some of his colleagues get their way on proroguing Parliament, he may well even be put on a zero-hours contract, because there would be little else to do.

I have previously stated, both on Second Reading and in Committee, when we had wide ranging discussions on the Bill, as we always do with financial Bills—we talk about a whole range of issues and get into all sorts of discussions about various things, even quoting Cicero and going into all sorts of Greek mythology; it is helpful to broaden our horizons when dealing with these Bills—that the Bill is a pale imitation of the great national insurance reforms that the Government promised to enact just a few years ago, in those halcyon days of the 2010 to 2015 Tory Government, who were going to conquer the world and who proposed massive changes to national insurance contributions. Of course, in effect, nothing came of that. The former Chancellor went west and the proposals lay around gathering a little bit of dust, then more dust and then even more dust on the shelves at the Treasury.

As we all know, national insurance is paid by employees, employers and the self-employed, and it is used to fund a variety of contributory benefits such as the state pension, contributory employment and support allowance, maternity allowance and other benefits. In 2018-19, national insurance contributions raised around £137 billion, which is more than was raised by VAT but less than was raised by income tax, at £132 billion and £192 billion respectively. National insurance contributions are clearly a substantial revenue raiser for the Exchequer.

Along with the Prime Minister, the Government's credibility and all sense of reason in the Tory party, gone are the proposed abolition of class 2 national insurance contributions and the planned expansion of class 4 national insurance contributions, along with the Government's parliamentary majority to boot. Those proposals have been replaced with these meagre clauses, which masquerade as a real Bill. They will introduce a limited class 1A employer charge on termination payments over £30,000 and on payments over £100,000 related to non-contractual sporting testimonials.

While we are on the subject of sport—loosely—I reaffirm my congratulations to Liverpool football club on their win, albeit as an Everton supporter. As I said in Committee, I can say that in the clear knowledge that it probably will not get much further than the people present, so I will not be criticised by my Everton-supporting friends and family. Saying it here tonight makes it more or less a secret, in essence.

Consideration of the Bill's remaining stages has been brought forward to pack out an empty parliamentary timetable. The timing could not be more fortuitous, as we enter the first official week of the long-running Tory leadership campaign. It is a burden for everybody else to have to put up with it, and I am sure it is a burden for those on the Government Front Bench and Back Benches, too. I suspect that they will not say that, but I will say it for them.

There is a backdrop to this debate. We have already seen a sneak preview of the chaos and dysfunction that any of the hard Tory Brexiteers who are running for Prime Minister will soon unleash on the country. The right hon. Member for Tatton (Ms McVey) has suggested purging the Cabinet of remain-supporting MPs. The frontrunner, the right hon. Member for Uxbridge and South Ruislip (Boris Johnson), is flirting with the idea of the UK going AWOL with around £48 billion in October. That figure is almost as big as his ego. The Foreign Secretary, the right hon. Member for South West Surrey (Mr Hunt), has more positions on Brexit than the "Kama Sutra".

Meanwhile, the right hon. Member for Esher and Walton (Dominic Raab) is threatening to put two fingers up to parliamentary sovereignty and prorogue the House, denying the elected representatives in this Chamber a say over the biggest issue facing this country since the second world war, and perhaps beyond that—I do thank you for your indulgence, Mr Deputy Speaker. So much for bringing back control. To what—an empty, locked Chamber? It is important, because had Parliament been prorogued, would we have been able to debate this Bill on national insurance contributions? No, we would not. Where would all the money go? We would not have it. We are here making the case for why Parliament should not be prorogued, but more importantly we are making the case because we have to get the cash in. All this is taking place while our European partners look on in polite bemusement, along with the rest of the country, as we are subjected to a month-long Conservative party psychodrama. That context is important to the matter at hand.

The Opposition continue to have concerns about how the new class 1A national insurance charge will impact on the level of termination awards that workers receive, particularly in respect of women, employees over 50 and pregnant women. Opposition new clauses 1 and 5 would require Ministers to adequately address our concerns. The tax and national insurance treatment of termination payments remains a sensitive topic to workers and employers alike. Employees facing redundancy often consider this final payment as an evaluation of the work that they have done for their employer, so it is psychologically important for them. As I have previously said, termination payments therefore have an emotional and a financial significance, and the amount awarded is often determined by painstaking and careful negotiations between managers and trade union representatives.

The Government's rationale for the change apparently remains one of simplification: they cite many employers' previous confusion as to what parts of a termination payment might qualify for exemption from tax and national insurance. However, Ministers have also cited the opportunity for well-advised employers to avoid paying the right amount of tax and national insurance on termination payments as justification for wider reform. It is important to repeat that that seems to have been given as justification for wider reform. We do not necessarily accept that justification. Neither the Office of Tax Simplification nor Treasury Ministers have been able to provide figures on the number of employers who have taken advantage of the existing loophole or on the amount that has been lost to the Exchequer as a result. That is important, because if a case is going to be made for something, the least we could be given is a little evidence—a few facts and statistics—to back up the assertion.

Mr Jim Cunningham (Coventry South) (Lab): The best way to describe it is as a stealth tax on people who are going to be unemployed for quite a long period. Women are going to be under the cosh. We have to remind ourselves that women seem to be paying the price. We have only to consider the long, drawn-out saga of the Women Against State Pension Inequality, who cannot even get justice out of this Government.

Peter Dowd: My hon. Friend makes a valid point. Assessments of the impact of austerity have found that 86% of the burden has fallen on women. The figures indicate that women are the most badly affected by austerity, and all this Bill does is overlay that and up the ante even further. I thank my hon. Friend for making that point, because in effect it is a stealth tax. That is what it amounts to: a stealth tax with no evidence base whatever to support it, other than the Government just wanting somehow to get more and more cash in because of their failed economic policies.

Grahame Morris (Easington) (Lab): I am grateful to my hon. Friend for giving way. The arguments that he is making are sound. There is a concern that this may well open the gates to further measures in the future. I fully understand that this is a charge that is being applied to employers, but it would be instructive if we used plain English and simple terminology. Why do we not use the term "redundancy" instead of "termination awards", so that people will realise what is happening?

6.30 pm

Peter Dowd: That is a very good point, because that is exactly what the Government do time after time. When they introduce these notions and concepts, they always try to put up a bit of a smokescreen. My hon. Friend is

[Peter Dowd]

absolutely spot on. Let us call this essentially what it is, which is redundancy. Potentially, it is taking money from people at perhaps one of the most vulnerable times in their working life. Let me repeat: what we want is evidence. This an evidence-free zone—it is as simple as that. The other important point to make is that this is, in effect, a stealth tax. Worryingly, though, there is no coherence to this whatsoever. There is no coherence to this at all. Somebody comes up with an idea and the Government push it through because they want to push it through. There is no evidence for it whatsoever.

James Cartlidge (South Suffolk) (Con): I have enjoyed discussing this Bill with the hon. Gentleman in Committee and on Second Reading. The definition of a stealth tax is surely a tax that is stealthy. In other words, it is not immediately visible, and has to be found in the small print of, for example, the Red Book. This is on the front of a Bill; this is the name of the Bill. I do not think that this can conceivably be described as a stealth tax. The Government have been very open about it, and it is on the front of the Bill.

Peter Dowd: I am very pleased that a Conservative Member of Parliament admits that he is putting taxes up. He has admitted that the Government are openly putting up taxes. Okay, even if I accept that it is not a stealth tax—

James Cartlidge *rose—*

Peter Dowd: Just a moment. Even if I accept—*[Interruption.]* I am happy to give way. Even if I accept, which I do not, that it is not a stealth tax, it is, none the less, about a Tory Government putting taxes up. It is as simple as that. I will give way to the hon. Gentleman.

James Cartlidge: The point is not whether it is going up, but whether it is being done in a stealthy fashion. I accept that this is raising revenue. The Minister will not cut it, because that will take revenue from elsewhere. The question is whether it is stealthy. It is on the front of the Bill; it is the name of the Bill. It is not remotely stealthy. Stealth taxes are so named when we pull the wool over people's eyes, but this is very open and transparent, and, yes, it will increase revenue for the Treasury.

Peter Dowd: The hon. Gentleman can point that out to me as much as he wants. I admitted, or acknowledged—call it what you will—that even if it is not a stealth tax, it is a Tory Government putting up taxes. *[Interruption.]* We agree on that. *[Interruption.]* I am happy to have that conversation with him outside the Chamber, if need be, so that I do not get into trouble with either you, Mr Deputy Speaker, or those Members on the packed Benches. The bottom line is that what we have here is quite clearly and unambiguously an admission from the Tories that they are putting taxes up. That is what it comes down to. *[Interruption.]* My hon. Friend the Member for Coventry South (Mr Cunningham) says from a sedentary position that they do so in a sneaky way.

Ministers have claimed many times that they have a desire to simplify tax. They talk all the time about simplification of tax. They have an Office for Tax Simplification. They institutionalised it. Has there been much simplification? Not as far as I am concerned. There certainly has not been any simplification of national insurance contributions. Therefore, despite the many claims from Ministers that they have a desire to simplify the tax and national insurance treatment of termination awards, the Chartered Institute of Taxation and other tax experts have raised concerns about the lack of information in the Bill as to how this new class 1A charge will be collected. In their rush to try to get more money into the Exchequer, they have not even decided or worked out how they are going to collect it.

Mr Jim Cunningham: I thank my hon. Friend for giving way. I made a remark about sneaky tax from a sedentary position. I have a good example of why we should not trust what those on the Government Front Bench say: in their manifesto, they pledged to retain the free television licence for old-age pensioners. What did they do? They passed it on to the BBC. We have all seen the announcement today. How can we trust anything they say?

Peter Dowd: That is another stealth tax—the television licence. The fundamental point is important. It goes to the heart of this debate. This is a rise in taxes. We are not quite sure how it is going to be collected, but it is going to be collected from some of the most vulnerable people. Currently, Ministers plan to leave it up to secondary legislation to determine how it is going to be collected. That is another important point. This has happened so many times with this Government—no amendments to the law in relation to the Finance Bill. Again, this goes to the heart of the matter. The Government bring forward legislation, proposals and policies to this Chamber. They try to push something through, but they do not tell us how and when they are going to do it. But they are going to do it. We have no opportunity to challenge them because they close down the debate. They have done so on the last four Finance Bills, I think—I stand to be corrected on that one.

Currently, Ministers plan to leave that up to secondary legislation, which is clearly a break from normal practice. Furthermore, rather than simplifying the national insurance treatment of termination awards, they look set to confuse employers even more. Therefore, a fundamental attempt apparently to simplify these proposals has actually not simplified them. If the raison d'être for this is simplification—that is what we have been told—the Government are that incompetent that they cannot even get that right, because it is not simplifying matters at all.

The measure will also add additional administrative burdens on HMRC at a time when it continues to be hamstrung by the Government's disastrous reorganisation of its estate, the introduction of Making Tax Digital and the preparations for a no-deal Brexit. These specific proposals are being introduced when HMRC is in flux, but do the Government care? They do not care at all. So what is the so-called rationale for the introduction of this new national insurance contribution charge on termination awards, if not to make things more confusing for employers? Another factor has been thrown in: this is a tax avoidance measure, apparently. *[Interruption.]* The Minister says that he is not sure about that. Read some of the documentation.

Matt Warman (Boston and Skegness) (Con): He didn't say that.

Peter Dowd: I beg your pardon. So it is a tax avoidance measure, apparently, without any evidence, as far as we can gather, that there is any substantive tax avoidance going on with regard to this. I am all for tackling tax avoidance, as the Minister well knows. We support the tackling of tax avoidance, but we always want to do it when there is some evidence for it. We have lots of evidence of tax avoidance in other areas that the Government are not tackling, and in an area for which they do not have a particular amount of evidence, they are tackling it. It is a bit topsy-turvy—a bit round about. We find ourselves in a rather bizarre scenario.

I suggest that the Government's rationale is wholly to do with the revenue that they expect to raise and that this is little more than an attempt to increase national insurance receipts for the Exchequer while shying away from any major tax or national policy change. The previous Chancellor got his fingers well and truly burned because he did not do it right. That is the issue here. We are having all this tinkering around, which is making matters more and more confused. That is certainly the opinion of the Office of Tax Simplification, as advocated in its 2014 report, which stated that a new national insurance contribution charge could raise revenue for the Exchequer and offset the costs of any tax treatment change affecting termination payments. The report went on to concede that the policy was likely to lead to increased NIC costs to the employer—not just more NICs, but increased costs to the employer—and to individual employees receiving reduced termination payments, as employers would be unlikely to increase their redundancy budgets.

The Government's own impact assessment notes that this measure will present an "additional cost to employers". Here we are yet again, with the party of business putting more and more costs on to employers through this national insurance contributions proposal, at a time when they are all under terrible stress for a whole range of reasons—not least because of the uncertainty of Brexit. The impact assessment also says that this will be

"reflected in lower wages and profit margins".

Not only are the Government attacking businesses and bringing their profits down; they are also accepting that they are attacking workers' wages. It is a double whammy, as the employer and the employee both get stung. What a state of affairs! Sadly, it is some of the most vulnerable people in the workforce who will pay the ultimate price. Whether it is a pregnant female employee voluntarily leaving the workforce or an older worker opting for early retirement, the new national insurance contributions charge will have a significant impact on the level of termination awards received.

To address the issue, the Opposition have tabled new clause 5, which would require the Government to undertake a review every two years looking at the impact of this measure on women, pregnant women, workers over the age of 50 and any other group of people with protected characteristics. New clause 5 would ensure that the impact of the new national insurance charge was carefully monitored; that is very important. It would also require Ministers to take personal responsibility for its outcome, with regular statements to the House. I know Ministers do not like doing that—Mr Speaker in effect acts as the person who gets them to come here to speak to us—but it is important that Ministers come to this Chamber to explain what they are doing. They are responsible to Parliament for their actions. The Executive are responsible to us and that is what we are demanding through new clause 5.

Similarly, new clause 1 would require Treasury Ministers to undertake a distributional analysis of class 1A national insurance contributions, looking specifically at the impact on the level of termination awards received by employees and, importantly, at the impact on employers. I am particularly thinking about small and medium-sized business owners, who are likely to see added costs as a result of the measure. We want to ensure that such employers are not going to be penalised because of the lack of evidence base for the Government's proposals—other than, quite simply, that the measure will raise money. The Government should stop telling the House that this is about simplification, because it is not. We have to be honest about that. It is just about raising revenue. There is nothing wrong with doing that—it is crucial—but it is important that the Government are honest about what they are doing. They often get their figures wrong when they indicate how much they intend to raise. In fact, some of the figures identified in their proposals are almost a work of fiction.

The second and final measure covered by this very short Bill relates to a new class 1A charge for non-contractual sporting testimonials of more than £100,000. *[Interruption.]* I can hear the Government Front Benchers saying that I am making a long speech. Well, I know that Conservative Ministers do not like to be held to account at all; it is in their DNA. One of their colleagues, who is a contender for the leadership, even wants to prorogue Parliament—to close it down—so it is important that I make these points clear.

As my hon. Friend the Member for Oxford East (Anneliese Dodds) said in Committee, there remains a huge lack of clarity over how the charge will be applied, particularly when it comes to a payment that would be "customary". She made a very important point and hit the nail on the head, and I am not quite sure that we are any further on at all from those discussions in Committee. There remain seriously unanswered questions as to how a national insurance contribution charge on sporting testimonial payments, which are in effect charitable donations from fans, would affect sporting charities and foundations set up by individual sportspeople. The Chartered Institute of Taxation has also pointed out the clear inconsistency that would arise between the national insurance treatment of sporting testimonial payments and the treatment of voluntary tips in the service industry. To answer these concerns, the Opposition have tabled amendment 1, which would require the Government to review the impact of this class 1A national insurance contributions charge on donations to charities.

6.45 pm

It is simply the case that the Bill is yet another desperate attempt by the Government to shift the tax burden from the well-off to workers. Rather than cracking down on evidence-based tax avoidance and ensuring that large corporations pay their fair share, Ministers are yet again introducing measures designed to raise additional revenue for the Exchequer from workers' termination payments. This time, Ministers have elected for an indirect form of taxation through the introduction of a new employer national insurance charge, which will incentivise employers to cut wages, reduce non-statutory termination pay and leave some of the most vulnerable

in the workforce worse off, just as they are facing the distress of losing their job and uncertainty over their future. That is quite unconscionable.

Dr David Drew (Stroud) (Lab/Co-op): I have listened very carefully to my hon. Friend and I totally agree with him. May I concentrate on the issue of testimonials? One of the great myths about professional sportspeople is that they are all terribly well paid, but county cricketers, people playing in the lower regions of football and rugby players playing outside the premier league are not well paid. Traditionally, long-term servants have had the opportunity of a testimonial and those testimonials are often organised by groups of volunteers. Are we seriously suggesting that people who organise a darts match, a pool tournament or a dinner are going to be brought into the regime, whereby they have to think about national insurance contributions, taxation and the rest? That is surely crazy.

Peter Dowd: My hon. Friend makes an important point. The Government would have us believe that there is an amount of money that people can raise or earn before the testimonial tax—that is what it is—comes in. I am sure that the Minister will be able to explain that to us, but we have had very little help by way of explanation from the Government on this whole area, and the measure is being introduced without significant or appropriate discussion.

Members will no doubt be pleased that I will only speak for another hour—I jest. This is yet another piecemeal reform designed to penalise employers and workers alike, while raising comparatively small sums for the Exchequer compared with the total amount of national insurance contributions that it receives each year, which I identified earlier as more than £130 billion. Of course, the Government remain wedded to cutting taxes for large corporations and the wealthy alike, leaving our public services and ordinary workers footing the bill. In fact—this is important—the right hon. Member for Uxbridge and South Ruislip has committed to £10 billion of tax cuts should he become Prime Minister, with the Institute for Fiscal Studies saying that the biggest beneficiaries would be wealthy pensioners and people living solely off investments, as neither pay national insurance contributions. Actually, all the Members of Parliament here would also be better off under the proposal by the former Foreign Secretary.

The Opposition will not countenance supporting a Bill that will indirectly lead to workers' termination pay being reduced, especially when Tory hopefuls are throwing even more money at those who do not need it. Nor will we support a Bill that fails to offer any protection for women, older workers or pregnant women who could be financially worse off as a result of this change. If the front-runner for the Tory party leadership can give £10 billion to supporting wealthy investors, we can afford to support pregnant women who have been made redundant. For those reasons, we will oppose this Bill on Report and on Third Reading. I encourage colleagues from across the House to do exactly the same. Thank you very much for your indulgence, Mr Deputy Speaker.

Kirsty Blackman (Aberdeen North) (SNP): It is a pleasure to take part in a Report stage where the Government do not have amendments to their own Bill. That is quite unusual these days. Most of the Bills that we have seen recently have had Government amendments to them because there have been errors in the drafting, so I congratulate to the Minister for managing to bring in one that has not. Obviously, it would be great if he could see his way to accepting all the amendments tabled by the Opposition and by me, but he can save that up for his speech and let us know then whether he is willing to do so.

I will talk us through the amendments that we have tabled but also make it clear that we are willing to support the amendments tabled by the Opposition. Our new clause 2 is about the impact of the changes to class 1A national insurance contributions on termination awards. It asks for a number of different things, including

"an assessment of the expected impact on…the total net value of termination payments received by individuals…the average net value of such payments; and…the number of business start-ups that are funded by termination payments…in each region of the United Kingdom."

We ask for this for a number of reasons, but mostly because I was a bit annoyed by what is in the Government's explanatory notes, which basically said, "We expect there to be no impact on employees", but actually meant, "We expect there to be no additional tax liability impact on employees." But the reality is that there will be an impact on employees as employers will choose to give their employees less in termination awards because they will be liable for this class 1A contribution.

I specifically mentioned the number of business start-ups because I am acutely aware of the number of people, particularly where I am in Aberdeen, who struggled during the oil price fall that occurred in 2015-ish and were made redundant as a result of it. A number of them went on to start new businesses because of the termination payment that they received. I am concerned that reducing the amount of termination awards that people receive will mean that there will be fewer of those new business start-ups, and we may not see some of those businesses that go on to be phenomenally successful just for want of a few extra pounds in the termination award that is made.

Another thing that concerns me is that the Government's projections show that wages for everybody will fall as a result of this additional charge on employers. The Government have admitted that; it is included within the calculation. Even people who are not receiving termination awards or are not, at any stage, likely to receive them—even those who are receiving only the Government's national living wage, which is a pretendy living wage that people cannot live on, and those who are under 25 and therefore not eligible for it—will experience a reduction in wages as a result of the Government's changes to employer class 1A liability in relation to termination awards. It is not fair that we are asking people who already do not have enough to live on to pay this additional contribution. That might seem to be an odd position to take in this Chamber when we have Conservative leadership candidates talking about lowering tax for the very richest, but I do not believe that wages should be lowered for those at the bottom of the pile, to increase what is in the Government's coffers. If we are to do that, surely we should choose, as the Scottish Government have done, to levy that money through a more progressive taxation system.

The other issue with the termination awards aspect relates to the collection method that is described. Currently—this is from the Government's website—employers pay class 1A

and 1B national insurance on expenses and benefits they give to their employees. They have to fill in the forms only once a year and are given a deadline for doing so. The Government have not yet said how they intend these payments to be paid in real time, or how they intend that employers should ensure that they are recording them and paying them in real time. If the Government expect them to do this, they need to clarify that more quickly. I am particularly concerned about the employers who currently do not pay class 1A contributions in any way, shape or form because they do not allow employee benefits such as company cars or health insurance as part of their deal, yet are now being brought into class 1A contributions because, for some unknown reason, the Government have chosen to use class 1A contributions as the method of collection—the method of liability—rather than choosing a different method. Class 1A contributions are not levied on any cash just now; they are levied only on benefits in kind.

Therefore, a number of employers will need to have new computer systems to pay this money. Those who do already pay for benefits in kind will need to have a different computer system that allows them to pay in real time rather than at the end of the year. That will involve a lot of additional work for HMRC and for tax professionals who will have to advise employers on this method. That is an extra cost to employers—not just the actual additional money that they will have to pay but the additional administration cost that they will have to go through. It is incredibly important that if the Government intend to press ahead with this, they do everything they can to ensure that every employer who does not currently have any liability for class 1A contributions, in particular, is well aware of these changes and the new liability that will arise if they make any termination payments in excess of £30,000.

Let me move on to sporting testimonials. My concern is much the same as that raised by Opposition Front Benchers in relation to the donations to charities that are made as a result of sporting testimonials. There will be a new liability for people receiving money as part of sporting testimonials as long as they are not paid through an employee charitable donation-type method. It is a bit much to expect committees that are set up to have to register themselves in this way to pay the sporting testimonial beneficiary through payroll giving. That is a bit of an over-cumbersome situation. A lot of the people who receive money through sporting testimonials give a significant chunk of it to charities. I am therefore concerned about the reduction in charitable giving that there will be as a result of these changes.

The Government have pretty much said that this has a negligible Exchequer impact, but, once again, an additional administrative burden is being built up. This may stop some of these committees going forward with testimonials if they realise that they have to register for payroll giving and have to pay class 1A national insurance contributions as a result.

Dr Drew: The hon. Lady will have heard my earlier intervention. It is not uncommon for people to give very generously when they have a favourite sportsperson. It could happen that someone expects to get £30,000 over the course of a year, yet people are so generous that they give £60,000. Should that be backdated? In other words, if the additional £30,000 could be given to charity, does that impact on the whole amount or the part amount? This what happens in real life; it is not as straightforward as perhaps the Government think.

7 pm

Kirsty Blackman: I thank the hon. Gentleman for his intervention. The liability only arises for testimonials of more than £100,000, but I understand his point. For example, I do not know how it would work if a committee were to receive £80,000 on the day of the sporting testimonial and then another £25,000 afterwards in charitable donations. I hope that the Minister will make plain which period the income from a sporting testimonial covers. If the income arises after the sporting testimonial, does it breach the £100,000 cap, and would the liability for class 1A contributions therefore arise, even though it did not occur on the day of the sporting testimonial?

There is also a difference between contractual and non-contractual sporting testimonials. The hon. Member for Oxford East (Anneliese Dodds) made this incredibly clear in Committee and discussed in some detail the definition of "contractual". The issue is not only the word "contractual", but whether a sporting testimonial was expected. For example, if everybody who plays centre forward for a football club is given a sporting testimonial, does that mean that everybody should expect a sporting testimonial, or does it just happen that the last five people who played centre forward were amazing at scoring goals and therefore received a sporting testimonial? My concern is that people who did not expect a sporting testimonial will end up, through no fault of their own, in a situation where the Government consider it to be one that they expected to get.

My concern in both cases is the impact on HMRC, which will have a job of work to do in deciding whether the sporting testimonial income creates liability for class 1A contributions. Is it a contractual testimonial? Is it one that the sportsperson should have expected to receive? That will be a difficult set of cases for HMRC to deal with, to come to the correct decisions.

New clause 4 simply says:

"The Secretary of State must, within three years of this Act receiving Royal Assent, lay before Parliament a report on its Exchequer impact."

Before a Treasury Bill comes before Parliament, explanatory notes and a TIIN—a tax information and impact note—are provided, which we all are able to access. A TIIN projects how much the Treasury expects to receive as a result of tax changes, whether it is a tax relief or an additional tax. I have pushed Ministers before on how we know whether the expected impact was actually received.

The information that I was given in Committee was not as strong as I hoped for. I understand that at an unspecified point in the future, the Treasury Committee will be given a report on the Exchequer impact of tax changes. I do not know who keeps track of when those reports are published or whether a report is provided to the Treasury Committee on all measures that have an Exchequer impact. However, I do know that the Members who serve on the Bill Committee—whether Opposition or Government Members—and who scrutinise the Bill, raise concerns about its progress and ask questions about the potential Exchequer impact do not get a copy of the report. Only the Treasury Committee gets a copy of the report and has the right to scrutinise it.

[Kirsty Blackman]

If the Government cannot accept new clause 4—it would be nice if they did, so that a report was laid before Parliament that we could all see—I ask that when reports are published and sent to the Treasury Committee, all Members who serve on the Bill Committee also receive a copy. It would not be a massive administrative burden on the Treasury to ensure that we were all emailed a copy; I am not even asking for a paper copy. It would mean that Parliament and the Government's decisions were more transparent. It would also mean that the next time we were asked to take a decision on national insurance contributions or anything else, we could look back at whether the impact that the Exchequer projected was actually received.

I get that there are various reasons why we change taxation. We can change taxation to discourage behaviour that we do not want, to encourage behaviour that we do want, to raise revenue or, as the Government say they are doing in this case, to simplify things—although I have given a number of reasons why this is not the way to simplify national insurance contributions or termination payments. This House can only make sensible decisions about taxation if we understand how accurate the Treasury's projections are. It would be much better if the Government committed to send us a copy of this report when it goes to the Treasury Committee.

I will not press new clause 4 to a Division, but I am happy to vote with the Opposition on any measures that they press. I hope that the Minister will say yes to the small request I have made, because it would not have a huge administrative impact or cost him anything.

The Exchequer Secretary to the Treasury (Robert Jenrick): I am grateful for the opportunity to respond to the comments and questions posed by the hon. Members for Aberdeen North (Kirsty Blackman) and for Bootle (Peter Dowd). I shall not detain the House long, but I will try to respond to as many points as possible. I am surprised that the hon. Member for Bootle has raised those concerns and indicated that he intends to vote against this measure, given that he did not divide the House on Second Reading and did not divide the Committee on a single clause.

Peter Dowd: I indicated at the time that we would reserve our judgment and see whether the Government came up with sensible proposals. The fact of the matter is that, regrettably, they have yet again not come up with those suggestions, proposals, recommendations and explanations. That is why. Here we are giving the Government the benefit of the doubt, and we are being criticised for it.

Robert Jenrick: Let me respond to the amendments tabled by the hon. Gentleman and the hon. Member for Aberdeen North. It is a bit like groundhog day, because we have been through these arguments before. I will first address new clauses 1 and 2, which seek to amend the legislation that deals with termination awards, and then new clause 5.

New clauses 1 and 2 seek to commit the Government to report to Parliament on the impact of the changes to termination awards legislation within one year of implementation. They both seek further information on the impact of this measure on individuals whose contracts have ended and on employers. New clause 1 also asks specifically about distributional analysis, while new clause 2 asks the Government to consider the impact on businesses using termination payments to fund a start-up—a matter that we also discussed in Committee.

First, the Government consider that producing such reports is unnecessary, because we have already considered these issues in detail as part of the policy development and extensive consultation process. As we have discussed on a number of occasions, this Bill has been known about for some time. It was published for the first time in 2015. It has been restated in Budgets. It has been consulted on. This is not a new measure; it is well known to individuals and stakeholders who might be affected and to the tax and professional community who will be involved in advising businesses. There is little more to be said on that.

Kirsty Blackman: As the Minister has said, we discussed this in Committee, as well as on Second Reading. As we have discussed it before and he knew this question was coming, can he tell us how many businesses use termination payments for their start-up and how many fewer will use it for their start-up as a result of these changes?

Robert Jenrick: As I said in answer to the hon. Lady in Committee, that is not information that HMRC collects. Studies are made by independent bodies, some of which I highlighted to her during the previous stage of the Bill. I could direct her to them, but I cannot vouch for the veracity of those studies, which are produced by independent bodies. Of course, there is anecdotal evidence of the number of start-ups created in the event of significant redundancies at particular businesses, but that is not something HMRC collects or would be able to do easily. With great respect to the hon. Lady and the point she is trying to make, I do not agree that that is something we should attempt to do in this case.

The point the hon. Lady raised in her closing remarks was about the review that HM Treasury does in the ordinary course of business. We do intend to do that, and we do so within three to five years of Royal Assent to a Bill. As I explained in Committee, the conclusions on the Bill will be communicated publicly to the Treasury Committee. I understand the point she has made on a number of occasions that we could at that point specifically notify certain Members of this House should they be in this House and remain interested. However, again with respect, I suggest it is perfectly reasonable that we send that to the Treasury Committee, which will publish it. It will be in the public domain, and if she or other right hon. and hon. Members are interested at that stage, they will be able to view it and take it from the Treasury Committee website.

Kirsty Blackman: Could the Minister please let us know whether that will be in three years' time or five years' time, or at what point in that two-year period should I be watching the Treasury Committee's website?

Robert Jenrick: I cannot tell the hon. Lady that at the present time, and for good reason. We do not know at this moment when will be an appropriate time to review this particular tax. Clearly, it can take time to gather the correct evidential base, and that will vary from tax to tax. We will choose the correct moment when we have the greatest degree of evidence to make an informed decision, but it will be within the three-to-five year window.

The existing processes I have described allow time for the Government to consider an adequate amount of evidence, including administrative and taxpayer data. These do take time to collect. They often involve external research, stakeholder views and other relevant analysis. After one year, as is proposed in new clauses 1 and 2, is rarely the appropriate time to review a new tax. Accepting these new clauses at this stage would mean rushing into reviewing these polices prematurely, without proper consideration and without enough evidence to do so robustly, which is what I think all right hon. and hon. Members would wish us to do.

Secondly, the Government have already explicitly considered the impact on employers and individuals as part of this policy development and the consultation process I have already outlined. We decided on an approach that protected those losing their jobs—for example, by retaining the important £30,000 exemption. We have stressed on a number of occasions throughout the passage of the Bill that the Government certainly have no intention of changing that. Were this or a future Government to do so, it would require an affirmative statutory instrument, which could then be debated and voted on by the House. We have also chosen not to change employee national insurance contributions as well, which we could have done for even greater simplification. We chose not to do so to protect employees in a difficult period in their working lives.

At this point, I would add that this policy has been costed. That was certified by the independent Office for Budget Responsibility, and the methodology for this assessment is described in the Budget policy costing document. The suggestion from the hon. Member for Bootle that this was not properly costed is not correct; it has been independently certified.

New clause 1 also requests that the Government conduct a distributional analysis. As I have set out on a number of occasions, the Government have already assessed the distributional impacts of this policy using the information that is available to us. We are confident that the termination awards affected by these changes will be disproportionately paid by higher and additional rate taxpayers. It will not be possible to make a further assessment until we have collected the administrative data on the impact of this policy, which we will do in due course, and it will of course inform the review we have already described in three to five years' time.

New clause 2 asks that we consider the impact on start-ups. I have answered the question from the hon. Member for Aberdeen North: we do not hold this data. It is not an easy statistic to collect. It requires tracking the behaviour of an individual across time and between different employments.

7.15 pm

I would like to say a few words about new clause 5. The proposed clause would require the Government to report every two years on the impact of the changes to termination awards, and on the number and size of the awards. To start with, I want to be clear that the Government have already assessed the impact of the policy in compliance with our duties under the Equality Act 2010. The conclusions to this were published as part of the tax information and impact note.

I will highlight a couple of the important points. First, as the House will know, we explicitly chose not to target individuals—by maintaining an unlimited employee NICs exemption, despite pressure fully to align income tax and NICs. As a result, no individual will see their NICs bill increase as a result of the reforms this Bill makes to termination awards.

Secondly, no groups are explicitly targeted by this provision, which affects all groups identically in legal terms. It will apply equally to all termination awards, regardless of whether it relates to someone with a protected characteristic under the Equality Act.

Finally, of the termination awards that are affected, the key finding of the assessment we have done—this answers the point made by the hon. Member for Bootle—was in fact that it will disproportionately affect men, rather than women. This is a consequence of the fact that, unfortunately, in the present labour market higher earners are of course disproportionately male. I do not think that there is any evidence to suggest that this measure will disproportionately affect women or, indeed, pregnant women.

It is worth re-emphasising that only about 1% of employees receive a termination award each year, and about 80% of these will remain completely unaffected as they do not exceed the £30,000 threshold. We anticipate that those who are affected will be higher or additional rate taxpayers, and that they will be within the top one or two income deciles. It is also worth noting that since 2017—if not even further back than that, but certainly since 2017—the Government have not received any representations from stakeholders regarding any disproportionate impact on protected groups.

If I may, I will speak, finally, on termination awards—*[Interruption.]* You are gesturing that you would like me to wind up my remarks, Mr Deputy Speaker. New clause 3 and amendment 1 seek to commit the Government to report to Parliament on the impact of the changes on sporting testimonials. This matter was debated comprehensively in Committee. First, we expect there to be a very limited impact on sporting testimonials and charitable giving linked to this practice. I set out in Committee that we do not anticipate that there will be any material change to charitable giving so long as the individual concerned chose to make use of payroll giving, which we hope and expect them to do.

Secondly, we have already subjected this measure to very detailed consultation, including on both the initial proposals and the draft legislation. I can reassure the House that my officials and I stay in close contact with the charitable sector, particularly with its main representative body, the Charity Tax Group. Were any issues to arise in the future, we would of course listen to those, but we do not anticipate that being the case.

With the reassurances that I have been able to give and the further evidence provided throughout the course of the Bill, I hope that right hon. and hon. Members will consider not pressing their new clauses and the amendment.

Peter Dowd: We will push new clause 5, but I beg to ask leave to withdraw new clause 1.

Clause, by leave, withdrawn.

New Clause 5

EFFECTS OF TERMINATION AWARDS PROVISIONS

"(1) The Treasury must publish reviews of whether the payment of Class 1A contributions on termination awards under sections 1 and 2 has had—

(a) any effect on the number of termination awards made above £30,000;

(b) any effect on the size of termination awards made above £30,000; or

(c) a disproportionate effect on—

(i) women,

(ii) pregnant women,

(iii) persons aged 50 or over, or

(iv) any other group of people with protected characteristics (within the meaning of the Equality Act 2010).

(2) The first review under subsection (1) shall be published no later than 24 months after this section comes into force.

(3) Subsequent reviews under subsection (1) shall be published no later than 24 months after publication of the previous review."*—(Peter Dowd.)*

This new clause would provide for a general review of the termination awards provisions of this Act within every period of 24 months.

Bought up, and read the First time.

Question put, That the clause be read a Second time.

The House divided: Ayes 214, Noes 273.

Division No. 418] [7.19 pm

AYES

Abrahams, Debbie
Ali, Rushanara
Allin-Khan, Dr Rosena
Amesbury, Mike
Antoniazzi, Tonia
Ashworth, Jonathan
Austin, Ian
Barron, rh Sir Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blomfield, Paul
Brabin, Tracy
Bradshaw, rh Mr Ben
Brown, Alan
Brown, rh Mr Nicholas
Burden, Richard
Burgon, Richard
Butler, Dawn
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Sir Alan
Carden, Dan
Carmichael, rh Mr Alistair
Champion, Sarah
Chapman, Douglas
Chapman, Jenny
Charalambous, Bambos
Cherry, Joanna
Coaker, Vernon
Cooper, Julie
Corbyn, rh Jeremy
Coyle, Neil
Crausby, Sir David
Crawley, Angela
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Daby, Janet
David, Wayne
De Cordova, Marsha
De Piero, Gloria
Dhesi, Mr Tanmanjeet Singh
Dodds, Anneliese
Doughty, Stephen
Dowd, Peter
Drew, Dr David
Dromey, Jack
Duffield, Rosie
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Ellman, Dame Louise
Elmore, Chris
Esterson, Bill
Evans, Chris
Farron, Tim
Fellows, Marion
Field, rh Frank
Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
Forbes, Lisa
Fovargue, Yvonne
Foxcroft, Vicky
Frith, James
Furniss, Gill
Gaffney, Hugh
Gardiner, Barry
George, Ruth
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Grogan, John
Haigh, Louise
Hardy, Emma
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hepburn, Mr Stephen
Hill, Mike
Hillier, Meg
Hobhouse, Wera
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hollern, Kate
Hopkins, Kelvin
Howarth, rh Sir George
Jones, Darren
Jones, Gerald
Jones, Helen
Jones, Ruth
Jones, Sarah
Jones, Susan Elan
Kane, Mike
Killen, Ged
Kinnock, Stephen
Kyle, Peter
Laird, Lesley
Lamb, rh Norman
Lavery, Ian
Law, Chris
Lee, Karen
Lewell-Buck, Mrs Emma
Lewis, Clive
Lloyd, Tony
Long Bailey, Rebecca
Lynch, Holly
MacNeil, Angus Brendan
Madders, Justin
Mahmood, Shabana
Mann, John
Marsden, Gordon
Martin, Sandy
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCarthy, Kerry
McDonald, Andy
McDonnell, rh John
McFadden, rh Mr Pat
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McMahon, Jim
McMorrin, Anna
Mearns, Ian
Miliband, rh Edward
Monaghan, Carol
Morden, Jessica
Morgan, Stephen
Morris, Grahame
Murray, Ian
Nandy, Lisa
Norris, Alex
Onn, Melanie
Onwurah, Chi
Owen, Albert
Peacock, Stephanie
Pearce, Teresa
Perkins, Toby
Phillips, Jess
Pidcock, Laura
Platt, Jo
Pollard, Luke
Pound, Stephen
Powell, Lucy
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma *(Proxy vote cast by Mr Pat McFadden)*
Reynolds, Jonathan
Rimmer, Ms Marie
Rodda, Matt
Rowley, Danielle
Ruane, Chris
Russell-Moyle, Lloyd
Saville Roberts, rh Liz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheppard, Tommy
Sherriff, Paula
Siddiq, Tulip *(Proxy vote cast by Vicky Foxcroft)*
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, Cat
Smith, Jeff
Smith, Laura
Smith, Nick
Smith, Owen
Smyth, Karin
Snell, Gareth
Starmer, rh Keir
Stephens, Chris
Streeting, Wes
Stringer, Graham
Sweeney, Mr Paul
Tami, rh Mark
Thewliss, Alison
Thomas, Gareth
Thomas-Symonds, Nick
Thornberry, rh Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigg, Stephen
Twist, Liz
Vaz, Valerie
Walker, Thelma
Watson, Tom
West, Catherine
Whitehead, Dr Alan
Whitfield, Martin
Whitford, Dr Philippa
Williams, Dr Paul
Wilson, Phil
Woodcock, John
Yasin, Mohammad
Zeichner, Daniel

Tellers for the Ayes:
Thangam Debbonaire and Nic Dakin

NOES

Adams, Nigel
Afolami, Bim
Afriyie, Adam
Aldous, Peter
Amess, Sir David
Andrew, Stuart
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Badenoch, Mrs Kemi
Baker, Mr Steve
Barclay, rh Stephen
Baron, Mr John
Bebb, Guto
Beresford, Sir Paul
Berry, Jake
Blackman, Bob
Bone, Mr Peter
Bottomley, Sir Peter
Bowie, Andrew
Bradley, Ben
Brady, Sir Graham
Braverman, Suella
Brereton, Jack
Bridgen, Andrew
Brine, Steve
Bruce, Fiona
Buckland, Robert
Burghart, Alex
Burns, Conor
Burt, rh Alistair
Cairns, rh Alun
Campbell, Mr Gregory
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Churchill, Jo
Clark, Colin
Clark, rh Greg
Clarke, Mr Simon
Cleverly, James
Clifton-Brown, Sir Geoffrey
Coffey, Dr Thérèse
Costa, Alberto
Courts, Robert
Cox, rh Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Mims
Davies, Philip
Dinenage, Caroline
Djanogly, Mr Jonathan
Docherty, Leo
Donaldson, rh Sir Jeffrey M.
Donelan, Michelle
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duguid, David
Duncan Smith, rh Mr Iain
Dunne, rh Mr Philip
Ellis, Michael
Ellwood, rh Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Mr Nigel
Evennett, rh Sir David
Fabricant, Michael
Fallon, rh Sir Michael
Ford, Vicky
Foster, Kevin
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Fysh, Mr Marcus
Garnier, Mark
Gauke, rh Mr David
Ghani, Ms Nusrat
Gibb, rh Nick
Girvan, Paul
Glen, John
Goodwill, rh Mr Robert
Gove, rh Michael
Graham, Luke
Graham, Richard
Grant, Bill
Grant, Mrs Helen
Gray, James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gyimah, Mr Sam
Hair, Kirstene
Halfon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matt
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, rh Sir John
Heald, rh Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, rh Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Adam
Howell, John
Huddleston, Nigel
Hughes, Eddie
Hurd, rh Mr Nick
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Sir Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, rh Boris
Johnson, Dr Caroline
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Keegan, Gillian
Kennedy, Seema
Kerr, Stephen
Knight, rh Sir Greg
Kwarteng, Kwasi
Lamont, John
Latham, Mrs Pauline
Leadsom, rh Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, rh Sir Edward
Letwin, rh Sir Oliver
Lewer, Andrew
Lewis, rh Brandon
Lewis, rh Dr Julian
Lidington, rh Mr David
Lopez, Julia
Lopresti, Jack
Loughton, Tim
Mackinlay, Craig
Maclean, Rachel
Main, Mrs Anne
Mak, Alan
Malthouse, Kit
Mann, Scott
Masterton, Paul
Maynard, Paul
McLoughlin, rh Sir Patrick
McPartland, Stephen
McVey, rh Ms Esther
Menzies, Mark
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Moore, Damien
Mordaunt, rh Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mundell, rh David
Murray, Mrs Sheryll
Neill, Robert
Newton, Sarah
Nokes, rh Caroline
Norman, Jesse
O'Brien, Neil
Opperman, Guy
Paisley, Ian
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Sir Mike
Philp, Chris
Pincher, rh Christopher
Poulter, Dr Dan
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, rh Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Ross, Douglas
Rowley, Lee
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Seely, Mr Bob
Selous, Andrew
Shannon, Jim
Sharma, Alok
Shelbrooke, Alec
Simpson, David
Skidmore, Chris
Smith, Chloe *(Proxy vote cast by Jo Churchill)*
Smith, Henry
Smith, rh Julian
Smith, Royston
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, rh Rory
Streeter, Sir Gary
Stride, rh Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Sir Desmond
Swire, rh Sir Hugo
Syms, Sir Robert
Thomas, Derek
Thomson, Ross
Throup, Maggie
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Trevelyan, Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Vaizey, rh Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Theresa
Walker, Mr Robin
Wallace, rh Mr Ben
Warburton, David
Warman, Matt
Whately, Helen
Wheeler, Mrs Heather
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williamson, rh Gavin
Wood, Mike
Wragg, Mr William
Wright, rh Jeremy
Zahawi, Nadhim

Tellers for the Noes:
Mike Freer and
Mr Alister Jack

Question accordingly negatived.

Third Reading

Queen's Consent signified.

7.32 pm

Robert Jenrick: I beg to move, That the Bill be now read the Third time.

I am grateful to all the right hon. and hon. Members who participated throughout the passage of the Bill, particularly in Committee. I thank the Committee's Chairs, my hon. Friend the Member for North West Norfolk (Sir Henry Bellingham) and the hon. Member for Mitcham and Morden (Siobhain McDonagh).

This is a small and narrowly drawn but none the less important Bill that continues the Government's aim of aligning tax and national insurance contributions where it is right to do so. The Bill aligns the employer national insurance contribution treatment of termination awards and sporting testimonials with the current tax treatment. It also raises about £200 million a year for the public finances.

As I mentioned in previous debates, the Bill has been expected for some time. The measures were first announced at Budget 2015, consulted on thereafter and so have been widely expected and subjected to a great deal of scrutiny. The effect of the changes in the Bill will mean that a 13.8% class 1A employer national insurance charge will be applied to income derived from termination awards and sporting testimonials that are already subject to income tax.

I would like to reiterate my thanks to hon. Members who participated in the debates. I thank my superb officials at HM Treasury and Her Majesty's Revenue and Customs, whose patience and professionalism never ceases to impress me. I commend the Bill to the House.

7.34 pm

Anneliese Dodds (Oxford East) (Lab/Co-op): It is a pleasure to speak on behalf of the official Opposition on Third Reading. It is also a pleasure to speak opposite the Exchequer Secretary, who has been left holding the baby no less than three times this evening—understandable, perhaps, given the immense turbulence currently occurring on the Government Benches. I echo his thanks to the officials who have been involved with the Bill and to all those who made so many contributions, particularly in Committee.

As we have said repeatedly, this is a meagre Bill. We have many concerns about it that have not been addressed during its passage and were certainly not addressed this evening. First, on sporting testimonials, we still lack clarity on the scope of the Bill due to its terminological ambiguity. We still do not have any proper projection from the Government with regard to its impact on charitable giving.

On termination payments, we remain deeply concerned that the Bill still leaves the door open to reducing the value of national insurance-free termination payments. As a result of the Bill—the Minister even acknowledged this in his speech just now—we could see a reduction in the amount of NI-free payments going to those who are losing their jobs through secondary legislation. That is completely inappropriate and something we will not accept. The Government themselves have admitted that the measures will exert downward pressure on wages. There will also be a negative impact on termination payments, because they will be passed on from employers to employees.

There are huge problems with our tax system. They are not dealt with by this thin and meagre Bill. As a result, we will be voting against it on Third Reading.

7.36 pm

Kirsty Blackman: The Bill does not do what the Government set out to do, which is to simplify the tax system. The tax system is not simpler as a result of the changes that are being made. It will be more complicated and companies will have a larger administrative burden. It also reduces wages. I raised concerns about the fact that those who are already at the bottom of the pile will be receiving less in wages as a result of the changes the Government are making. I am happy to vote with the Opposition.

Having said that, I felt that the Committee was good-tempered and we discussed the issues at some length. It was really nice to have an evidence session in Committee. Hopefully, we will move on to the Finance Bill Committee taking evidence so that we can have more informed debates.

Finally, I would like to thank a couple of our staff members who have been involved in the progress of the Bill—Emily Cunningham and Chris Mullins-Silverstein—for their work in supporting us. My speeches would have been much less informed if it had not been for their help and support.

Question put, That the Bill be now read the Third time.

The House divided: Ayes 270, Noes 207.

Division No. 419] [7.37 pm

AYES

Adams, Nigel
Afolami, Bim
Afriyie, Adam
Aldous, Peter
Amess, Sir David
Andrew, Stuart
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Badenoch, Mrs Kemi
Baker, Mr Steve
Barclay, rh Stephen
Baron, Mr John
Bebb, Guto
Beresford, Sir Paul
Berry, Jake
Blackman, Bob
Bone, Mr Peter
Bottomley, Sir Peter
Bowie, Andrew
Bradley, Ben
Braverman, Suella
Brereton, Jack
Bridgen, Andrew
Brine, Steve
Bruce, Fiona
Buckland, Robert
Burghart, Alex
Burns, Conor
Burt, rh Alistair
Cairns, rh Alun
Campbell, Mr Gregory
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Churchill, Jo
Clark, Colin
Clark, rh Greg
Clarke, rh Mr Kenneth
Clarke, Mr Simon
Cleverly, James
Clifton-Brown, Sir Geoffrey
Coffey, Dr Thérèse
Costa, Alberto
Courts, Robert
Cox, rh Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Mims
Davies, Philip
Dinenage, Caroline
Djanogly, Mr Jonathan
Docherty, Leo
Donaldson, rh Sir Jeffrey M.
Donelan, Michelle
Double, Steve
Dowden, Oliver

Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duguid, David
Duncan Smith, rh Mr Iain
Dunne, rh Mr Philip
Ellis, Michael
Ellwood, rh Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Mr Nigel
Evennett, rh Sir David
Fabricant, Michael
Fallon, rh Sir Michael
Ford, Vicky
Foster, Kevin
Frazer, Lucy
Freeman, George
Fysh, Mr Marcus
Garnier, Mark
Gauke, rh Mr David
Ghani, Ms Nusrat
Gibb, rh Nick
Girvan, Paul
Glen, John
Goodwill, rh Mr Robert
Gove, rh Michael
Graham, Luke
Graham, Richard
Grant, Bill
Grant, Mrs Helen
Gray, James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Hair, Kirstene
Halfon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matt
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, rh Sir John
Heald, rh Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, rh Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Adam
Howell, John
Huddleston, Nigel
Hughes, Eddie
Hurd, rh Mr Nick
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Sir Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, rh Boris
Johnson, Dr Caroline
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Keegan, Gillian
Kennedy, Seema
Kerr, Stephen
Knight, rh Sir Greg
Kwarteng, Kwasi
Lamont, John
Latham, Mrs Pauline
Leadsom, rh Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, rh Sir Edward
Letwin, rh Sir Oliver
Lewer, Andrew
Lewis, rh Brandon
Lewis, rh Dr Julian
Lidington, rh Mr David
Lopez, Julia
Lopresti, Jack
Loughton, Tim
Mackinlay, Craig
Maclean, Rachel
Mak, Alan
Malthouse, Kit
Mann, Scott
Masterton, Paul
Maynard, Paul
McLoughlin, rh Sir Patrick
McPartland, Stephen
McVey, rh Ms Esther
Menzies, Mark
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Moore, Damien
Mordaunt, rh Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mundell, rh David
Murray, Mrs Sheryll
Neill, Robert
Newton, Sarah
Nokes, rh Caroline
Norman, Jesse
O'Brien, Neil
Opperman, Guy
Paisley, Ian
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Sir Mike
Philp, Chris
Pincher, rh Christopher
Poulter, Dr Dan
Prisk, Mr Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, rh Dominic
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Ross, Douglas
Rowley, Lee
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shannon, Jim
Sharma, Alok
Shelbrooke, Alec
Simpson, David
Skidmore, Chris
Smith, Chloe *(Proxy vote cast by Jo Churchill)*
Smith, Henry
Smith, rh Julian
Smith, Royston
Spelman, rh Dame Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, rh Rory
Streeter, Sir Gary
Stride, rh Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Sir Desmond
Swire, rh Sir Hugo
Syms, Sir Robert
Thomas, Derek
Thomson, Ross
Throup, Maggie
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Trevelyan, Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Vaizey, rh Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Theresa
Walker, Mr Robin
Wallace, rh Mr Ben
Warburton, David
Warman, Matt
Whately, Helen
Wheeler, Mrs Heather
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williamson, rh Gavin
Wood, Mike
Wragg, Mr William
Wright, rh Jeremy
Zahawi, Nadhim

Tellers for the Ayes:
Mr Alister Jack and Mike Freer

NOES

Abrahams, Debbie
Ali, Rushanara
Allin-Khan, Dr Rosena
Amesbury, Mike
Antoniazzi, Tonia
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Barron, rh Sir Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Brabin, Tracy
Bradshaw, rh Mr Ben
Brown, Alan
Brown, rh Mr Nicholas
Burden, Richard
Burgon, Richard
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Sir Alan
Carden, Dan
Champion, Sarah
Chapman, Douglas
Chapman, Jenny
Charalambous, Bambos
Cherry, Joanna
Coaker, Vernon
Cooper, Julie
Corbyn, rh Jeremy
Coyle, Neil
Crausby, Sir David
Crawley, Angela
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Daby, Janet
David, Wayne
Davies, Geraint
De Cordova, Marsha
De Piero, Gloria
Dhesi, Mr Tanmanjeet Singh
Dodds, Anneliese
Doughty, Stephen
Dowd, Peter
Drew, Dr David
Dromey, Jack
Duffield, Rosie
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Ellman, Dame Louise
Elmore, Chris
Esterson, Bill
Evans, Chris
Fellows, Marion
Field, rh Frank
Fletcher, Colleen
Flint, rh Caroline
Forbes, Lisa
Fovargue, Yvonne
Foxcroft, Vicky
Frith, James
Furniss, Gill

Gaffney, Hugh
Gardiner, Barry
George, Ruth
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Grogan, John
Haigh, Louise
Hardy, Emma
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hepburn, Mr Stephen
Hill, Mike
Hillier, Meg
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hollern, Kate
Hopkins, Kelvin
Howarth, rh Sir George
Jones, Darren
Jones, Gerald
Jones, Ruth
Jones, Sarah
Jones, Susan Elan
Kane, Mike
Killen, Ged
Kinnock, Stephen
Kyle, Peter
Laird, Lesley
Lavery, Ian
Law, Chris
Lee, Karen
Lewell-Buck, Mrs Emma
Lewis, Clive
Lloyd, Tony
Long Bailey, Rebecca
Lynch, Holly
MacNeil, Angus Brendan
Madders, Justin
Mahmood, Shabana
Mann, John
Marsden, Gordon
Martin, Sandy
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCarthy, Kerry
McDonald, Andy
McDonnell, rh John
McFadden, rh Mr Pat
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McMahon, Jim
McMorrin, Anna
Mearns, Ian
Miliband, rh Edward
Monaghan, Carol
Morden, Jessica
Morgan, Stephen
Morris, Grahame
Murray, Ian
Nandy, Lisa
Norris, Alex
Onn, Melanie
Onwurah, Chi
Owen, Albert
Peacock, Stephanie
Pearce, Teresa
Perkins, Toby
Phillips, Jess
Pidcock, Laura
Platt, Jo
Pollard, Luke
Pound, Stephen
Powell, Lucy
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma *(Proxy vote cast by Mr Pat McFadden)*
Reynolds, Jonathan
Rimmer, Ms Marie
Rodda, Matt
Rowley, Danielle
Ruane, Chris
Russell-Moyle, Lloyd
Saville Roberts, rh Liz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sherriff, Paula
Siddiq, Tulip *(Proxy vote cast by Vicky Foxcroft)*
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, Cat
Smith, Jeff
Smith, Laura
Smith, Nick
Smith, Owen
Smyth, Karin
Snell, Gareth
Spellar, rh John
Starmer, rh Keir
Stephens, Chris
Streeting, Wes
Stringer, Graham
Sweeney, Mr Paul
Tami, rh Mark
Thewliss, Alison
Thomas, Gareth
Thomas-Symonds, Nick
Thornberry, rh Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigg, Stephen
Twist, Liz
Vaz, Valerie
Walker, Thelma
Western, Matt
Whitehead, Dr Alan
Whitfield, Martin
Whitford, Dr Philippa
Williams, Dr Paul
Wilson, Phil
Woodcock, John
Yasin, Mohammad
Zeichner, Daniel

Tellers for the Noes:
Thangam Debbonaire and Nic Dakin

Question accordingly agreed to.

Bill read the Third time and passed.

Backbench Business

Mineworkers' Pension Scheme

7.49 pm

Grahame Morris (Easington) (Lab): I beg to move,

That this House calls on the Government to carry out a review of the existing arrangements for the sharing of the surplus generated by the Mineworkers' Pension Scheme.

I thank the Backbench Business Committee, under the excellent stewardship of my good and hon. Friend the Member for Gateshead (Ian Mearns), for permitting this important debate. I also take this opportunity to apologise to those retired miners who made the long journey from the coalfield areas in anticipation that the debate would take place last week. Unfortunately, that was impossible owing to Government business.

In March I was honoured to accompany a group of retired mineworkers and MPs from coalfield areas to deliver a petition with more than 100,000 signatures to No. 10 Downing Street calling for a review of the surplus sharing arrangements for the mineworkers' pension scheme. The petition is the basis on which this debate was called. I thank all those who have campaigned for pension justice for miners and their dependants.

I must declare an interest. Like many miners, my father and grandfather died prematurely in their 50s, their lives cut short by the industrial diseases prevalent in coalfield communities. While my father never collected his pension, my mother has been left with a reduced widow's pension from the British Coal staff superannuation scheme. Every year, thousands of miners face premature death because of the dangerous conditions they toiled in underground many years ago.

Nick Thomas-Symonds (Torfaen) (Lab): My hon. Friend speaks movingly about his family, but he also points to another issue, which is that the Government need to act urgently, otherwise miners and their families, who are obviously getting older, will not benefit from any measures taken.

Grahame Morris: That is an incredibly important point. When I had to apologise to some of the miners from Wales and Yorkshire who travelled down last week, the point was made to me that even in the space of one week—the period by which this debate was delayed—thousands would die.

Chris Elmore (Ogmore) (Lab): I congratulate my hon. Friend on securing the debate and pay particular tribute to my hon. Friends the Members for Barnsley East (Stephanie Peacock), for Ashfield (Gloria De Piero) and for Blaenau Gwent (Nick Smith) for their work. Does my hon. Friend agree that a key issue is that the widow's pension is even smaller than many of the miners' pensions, so we are asking for an uplift from very small figures? If the Government could show some compassion and bring forward these changes, many widows and miners' children would benefit hugely.

Grahame Morris: Absolutely; that is a key point. I hope those on the Treasury Bench will listen intently to the points made in this debate.

My hon. Friend the Member for Torfaen (Nick Thomas-Symonds) made a point about the number of miners and their dependants who were dying. The mineworkers' pension scheme annual report shows a dramatic fall in the number of pensions in payment. It has fallen from 175,000 in 2011 to just over 135,000 today. As this indicates, because of the age of the retired miners and their widows—many are now in their 80s or older—they are passing away and the number of beneficiaries is falling dramatically.

I am proud to represent the mining communities of east Durham. We owe a debt of gratitude to our miners. Easington's pits produced the nation's wealth and powered the industrial revolution, and the mining industry transformed our landscape. Without coal, many of the colliery villages in Durham would simply not exist. Where a pit was sunk, workers from all parts of the UK—from Wales, Cornwall, Ireland—would come to work in those collieries. Indeed, at the height of its production, the Durham coalfield alone employed 170,000 miners in the 1920s.

Coalmining remained our primary source of employment until the closure of our last pit in Durham in 1994. The colliery in my village, Murton, ceased production in November 1991. It was a proud industry until relatively recent times. In my opinion, the men who toiled in our pits are heroes—they worked in darkness so that we could live in light—and, in their retirement, they and their widows deserve respect and security.

There are points of agreement that I believe are accepted across the House, including, I hope, on the Treasury Bench and among Government Back Benchers. I think we can all agree that there is value and importance in the guarantee given to the mineworkers' pension schemes. What is in dispute is the cost of the guarantee. There is no denying that the guarantee has given to those who administer the funds the freedom to make bold investment decisions, which has allowed them to target higher returns on investment. It follows that the guarantor—the Government—should be compensated for the guarantee fairly and proportionately.

This debate is about the cost of that guarantee and whether the £4.4 billion and the ongoing claim to half of all future surpluses can be considered reasonable recompense to the Government for the level of risk they shoulder. In my view, there should be some correlation between the level of compensation and the level of risk.

Sir Kevin Barron (Rother Valley) (Lab): We should recognise that when the increase in the miners' pension scheme was higher than that in the state benefit scheme, many people in my constituency, because they got more money, did not take the means-tested benefits they were entitled to, so it is not just about surpluses; it is about how much money the scheme saved the state.

Grahame Morris: That is an absolutely relevant point. Other colleagues have referred to the relative pension levels. Ministers often quote the percentage increases, but the average pension payable is £84 a week. That is a paltry sum. I also respectfully point out to the Minister that the Government have never been called upon to make a single payment into the scheme.

Ian Lavery (Wansbeck) (Lab): I refer to my declaration in the Register of Members' Financial Interests: I am a deferred member of the mineworkers' pension scheme.

[Ian Lavery]

My hon. Friend mentions the fact that British Coal—the National Coal Board—never put a single penny in the scheme. Many people have called this the crime of the century. At the time of the discussions, the projections were that the agreement would raise £2 billion. The Government have taken £4 billion from the miners of this country without putting a single ha'penny back in. Is this not an absolute disgrace?

Grahame Morris: Absolutely. I could not put it any better myself. It is now time to review the surplus sharing arrangements and the level set in 1994 and consider whether the decisions taken then were taken with the best financial advice and in the best interests of miners.

To be fair, the Government have been consistent in their arguments against making changes to the scheme. These arguments are set out in various responses to parliamentary questions and were restated by the Chief Secretary to the Treasury in her response on 14 May to a cross-party letter co-ordinated by my hon. Friend the Member for Blaenau Gwent. I want to summarise the Government's response because it is important to consider their arguments. The first is that the sharing arrangements work well for beneficiaries; the second that the sharing arrangements provide fair compensation for the Government; and the third that there can be no unilateral action and that changes can be made only with the agreement of the trustees. I want to take each point in turn.

First, does the surplus-sharing scheme work for beneficiaries? The Government's position is that the scheme has worked well. In her letter of 14 May to my hon. Friend the Member for Blaenau Gwent, the Chief Secretary said:

"The sharing arrangements has meant beneficiaries enjoy bonus payments worth more than 33% of their index-linked benefits".

As highlighted in a previous debate by my good and hon. Friend the Member for Barnsley East (Stephanie Peacock), the average payment from the scheme is just £84 a week, and it is a great deal less for widows, many of whom have outlived their husbands by many decades. Our industrial legacy means that many miners, like my father, never reach retirement age. Those who do are often in ill health, and will draw their pensions for fewer years than those who retire from other industries and sectors.

We often talk about deferred wages. When miners made those contributions, week after week and year after year, the expectation was that they and their families would have security in their retirement. After we delivered the Downing Street petition, w Sullivan, a campaigner and former miner, spoke of some widows receiving pensions of

"as little as £8.50 a week".

Emlyn Davies, another campaigner, receives just £57 a week in return for 26 years' work in the pit: a poverty pension for years of working in damp, dark, dangerous conditions, sacrificing health and wellbeing. Let me say to Conservative Members, and to people watching this debate, that to me it seems offensive to argue that the scheme is working well for beneficiaries when miners and their widows are receiving such a pittance as £8.50, £57, or even £84 a week.

Chris Stephens (Glasgow South West) (SNP): The hon. Gentleman is making a powerful speech. He has given some alarming figures. Does he agree that this is not just about security in retirement, but about dignity, and that the Government are not giving dignity to pensioners in the mining industry and their widows?

Grahame Morris: Absolutely. We owe a debt to the miners, and the Government have an obligation to them—a moral obligation. They obviously have the financial resources to discharge that debt, and to give retired miners and their widows and dependants some dignity.

John Grogan (Keighley) (Lab): May I take up my hon. Friend's point about the moral obligation? Does he remember that when the Prime Minister first stood on the steps of No. 10 Downing Street, she talked about dealing with injustices in our society? Would it not be appropriate if, during her last few weeks in office, she asked officials and Ministers to think again and look at the independent analysis conducted by the National Union of Mineworkers, which suggests that a 90-10 split would be much fairer?

Grahame Morris: Absolutely. I thank my hon. Friend for his intervention, which has pre-empted my further remarks.

I am trying to deal systematically with the Government's objections to changing the split. The second point made by the Chief Secretary in her letter concerned the question of whether the surplus sharing arrangements represent fair recompense for the Government guarantee. In her letter to my hon. Friend the Member for Blaenau Gwent, she wrote:

"Thank you for also raising your views on the surplus sharing arrangements. I believe that these represent reasonable recompense to the taxpayer, both for the past investment in the Mineworkers Pension Scheme during the industry's period of public ownership and for the risks they continue to bear through the government guarantee".

There is no evidence that the current sharing arrangements can be considered fair or reasonable. Incredibly, the scheme was established, and the surplus sharing arrangements agreed, without any actuarial advice, as confirmed in written answers given to my hon. Friend the Member for Barnsley East.

We know a lot more about the mineworkers' pension scheme and the associated risks that it faces than we did in 1994. If the 50-50 split represented the risk in 1994, 25 years later the risk to the Government is marginal. After a quarter of a century, they have never made a single contribution to the fund.

In the context of efforts to set a fair sharing arrangement, the Minister will be aware of two reports commissioned by the National Union of Mineworkers. I thank the NUM, and Chris Kitchen and his executive, for that. The two reports were produced by First Actuarial, and dealt with the Government guarantee and the surplus sharing arrangement.

One of the reports suggested that a 90-10 split of future surpluses would be a fair return to the Government for the relatively low level of risk taken in providing the guarantee. The schemes have been tested, and I point out that they weathered the 2008 world financial crash without any need to fall back on the guarantee. I implore the Government to use that report as a basis for negotiation—or rather renegotiation—which can deliver for all interested parties.

The third point made by the Chief Secretary in her letter was this:

"Any changes to the surplus sharing arrangements could only be considered in the round with changes to the guarantee, but trustees have indicated that their members are happy with the guarantee as it stands".

As previously stated, the benefit of the guarantee is not being questioned. We all accept that it has benefit and value. It has allowed the scheme to be ambitious in its investment strategy. However, we should not conflate support for the guarantee with support for the surplussharing arrangements. Members representing coalfield areas will have received emails from constituents referring to the MPS trustee for Yorkshire and North Lincolnshire, Ken Capstick, in which he says:

"I know of not one Trustee that would agree with the statement made by…Chief Secretary to the Treasury and it is a complete misrepresentation of the position of the Trustees."

Helen Goodman (Bishop Auckland) (Lab): That is what we expect from Tory Ministers.

Grahame Morris: Absolutely.

The MPS winter newsletter states:

"Whilst the Trustees are and always have been supportive of any initiative that had the underlying aim of improving members outcomes, the Trustees do not have the power to make these changes without recourse to the Guarantor"

—in other words, the Government.

"We will of course continue to work in your interests across all aspects of running the scheme".

Let me say this, earnestly, to the Minister. The trustees will be listening. They want to renegotiate the current sharing arrangements. If approached by the trustees, will the Government, as guarantor, negotiate those arrangements? If the Minister wishes to intervene now, I will take his intervention; otherwise I hope he will address that question when he sums up the debate.

Sir William Cash (Stone) (Con): May I say to the hon. Gentleman that there are those on this side of the House who not only have a great deal of sympathy with what is being said, but have a great deal of support for it and want to give a great deal of encouragement? Having come from Sheffield and worked with miners on the cricket field as well as the rugger field, I know the position exactly. I have seen all the pits and been down a lot of them. Let me simply say, I hope that you get what you want.

Grahame Morris: God bless you. I am grateful for that intervention,

What I am trying to do—with all due respect, and without denigrating anyone's contribution—is set out the factual position. I think that the arguments that the existing arrangements are unfair are overwhelming.

Mr Dennis Skinner (Bolsover) (Lab): There is one point that my hon. Friend has not mentioned at all. I worked in the pit for 20-odd years before I came to Parliament, and I must say at the outset that this is an easier job than working down a coalmine. I know a lot of people do not like me saying that, but it is a fact. There is no doubt whatsoever about that.

One of the things that I learnt about the pension scheme was this. I must tell my hon. Friend, who has not referred to this yet although he may do so later, that when I went down the pit just after the second world war there was a pension scheme in the coalmining industry for managers and people who ran the mine. There was also a scheme that paid deputies, who were like little sergeants in the pit. They were people with authority and their membership entailed that they could be paid as well. I think it was in the early 1960s, when I was still in the pit, when at last somebody decided that miners themselves, and there were 700,000 of them working in the coalmines in Britain at the time—

Madam Deputy Speaker (Dame Eleanor Laing): Order. I assume the hon. Gentleman thinks I am not listening to him, and that I have not noticed, but—

Mr Skinner: I will turn to address you, Madam Deputy Speaker.

Madam Deputy Speaker: No, I did not mind that, but the hon. Gentleman is making rather a long intervention; I know this is his expert subject but I was hoping it would be an intervention-sized intervention.

Mr Skinner: I did happen to work down a coalmine and I am using the bit of expertise that I had regarding the coalmines, as opposed to being a Member of Parliament. I am trying to demonstrate something to my hon. Friend the Member for Easington (Grahame Morris) and to ask whether he will look at this. When I worked in the pit the miners themselves—700,000 of them—did not have a pension at all. In fact it was not until the early '60s that it was decided that the management had a pension, the deputies had a pension and it was time that the miners had a pension as well. That is what I am trying to demonstrate and I am hoping that my hon. Friend will refer to it. Thank you very much.

Madam Deputy Speaker: It is a pleasure. I must say that we are not creating a precedent here for the Chair allowing a very long intervention. Given the hon. Gentleman's very specific position and long experience on this matter I have stretched things a bit, but that does not mean that anyone else will get away with it.

Grahame Morris: I am grateful, Madam Deputy Speaker, and I am grateful to my hon. Friend the Member for Bolsover (Mr Skinner) for his knowledge, input and expertise. Of course the 700,000 miners, and the 170,000 miners in Durham, have built up a huge pension fund. I have asked various parliamentary questions to ascertain the size of that fund, but bear in mind that 50% of the surplus is taken by Government—£4.4 billion—and my understanding is that, when the last of those miners and widows dies, the Government will get everything; not just the surplus, but everything.

Mike Hill (Hartlepool) (Lab): I thank my hon. Friend and neighbour for giving way on that point. As he knows, although Hartlepool never had any pits we certainly have mineworkers who served in pits in Durham. Does he agree that the Government are under an even greater obligation because of the sacrifices and industrial diseases that those mineworkers have suffered from, which have shortened their lives in many cases? That makes this an urgent issue for many.

Grahame Morris: Absolutely. This is a poignant time. Just a short while ago it was the anniversary of the disaster at Easington colliery in my constituency, where 81 men were killed in an explosion and two men from

[Grahame Morris]

the rescue team. There is blood on the coal. A price was paid and men paid contributions into their pension funds in anticipation that, if their lives were cut short by accident or injury, their widows and dependants would be looked after. The Government are falling short on this. This is an historical debt that the Government must discharge.

Mike Amesbury (Weaver Vale) (Lab): Fred Smith died last week. He was a proud Scotsman and a miner in the Castleford collieries. He died of an industrial-related disease and he leaves a widow, Enid, and a family to care for. He wants justice.

Grahame Morris: Absolutely. A dear friend of mine, Myrtle McPherson, an absolute stalwart and a legend in Easington, died just a few days ago. These people should have justice. She was loved in that community and worked tirelessly. Her husband Gordon died prematurely of pneumoconiosis. There is a time pressure here and the Government and Ministers really must act.

Caroline Flint (Don Valley) (Lab) *rose—*

Grahame Morris: I know lots of Members wish to speak in the debate but I will give way one more time and then conclude.

Caroline Flint: I thank my hon. Friend for giving way. Does he agree that, given that these surpluses are essentially a windfall to Government, at the very least, we should have greater transparency in knowing what that money is actually spent on? Does he also agree that it is rather odd that the Treasury budgets to spend this money but claims it is not a sound or firm amount of money that it can count on? Does he think that the Treasury has questions to answer on that front?

Grahame Morris: I am rather alarmed that the Treasury uses some of the surpluses from the mineworkers' pension funds and says that money is being recycled into regeneration in coalmining areas. Surely the money that miners paid—miners such as my father, grandfather and uncles no longer with us—was deferred wages; it was for their benefit in their retirement, which they never got a chance to enjoy, or for their widows and other miners, not to be used as regeneration funds.

Andrew Bridgen (North West Leicestershire) (Con): As a Member of Parliament whose paternal grandfather was a coalminer and whose major conurbation in my seat is called Coalville, I think the hon. Gentleman will know whose side I am on in this debate. Does he agree that, given that the vast majority of retired coalminers and their widows still reside in the coalmining communities in which they worked, and some of them died, any increase in their pension from this overfunded, well-endowed fund will only go back to enrich the communities in which they have lived and worked all their lives and it would be a good investment for the Government?

Grahame Morris: It is not often that I agree with the hon. Gentleman, but, absolutely, those people are certainly not going to be buying yachts and making investments in offshore tax havens. They are going to be spending that money in the local economy and supporting local businesses.

Several hon. Members *rose—*

Grahame Morris: I shall now conclude, otherwise I will incur the wrath of Madam Deputy Speaker.

Our mineworkers have served our country. They have served it loyally. They have toiled in the most dangerous and challenging working conditions imaginable. The contributions that miners have made to the wealth of our country was captured by George Orwell in his essay "Down the Mine" and I just want to read some lines from it:

> "Our civilization…is founded on coal, more completely than one realizes until one stops to think about it. The machines that keep us alive, and the machines that make machines, were all directly or indirectly dependent upon coal."

The importance of coal may have declined, but our gratitude to the miners should never wane and we owe them a debt of honour. Miners and their widows deserve better than poverty pensions. I am asking the Minister to end the pension theft and allow miners and their widows a better quality of life in retirement in their remaining years. Renegotiate the existing pension sharing arrangements. Do the right thing, Minister, and give the miners the money back that they have already earned.

Several hon. Members *rose—*

Madam Deputy Speaker (Dame Eleanor Laing): Order. We will have to start with a time limit of seven minutes.

8.18 pm

Ben Bradley (Mansfield) (Con): It is good to have the opportunity to speak in this debate, and it is a pleasure to follow the hon. Member for Easington (Grahame Morris), who raised some important points and set out a measured and non-partisan case, which is exactly what is required in this discussion.

I am proud to represent Mansfield and Warsop in Parliament. For most of the 20th century, mining was the most important industry and my constituency still has a proud coalmining heritage. It still dominates many aspects of our area and I have been working on the mineworkers' pension scheme since I was elected. I have regularly met with the mineworkers' pension campaign team and constituents affected by this important issue. I have held meetings with Ministers and trustees to help to lobby for changes to the terms of the scheme. This has been a very frustrating process; we have been through so many Ministers now, explaining and making the case each time. In March, I was pleased that the former Minister met a delegation, including Les Moore and my constituent Mick Newton, who has been a brilliant local campaigner on this issue in Mansfield. Mick, alongside campaigners including Trevor Cooke and many others, has been lobbying on the issue for many years.

I recognise—as do the Ministers with whom I have had this discussion—that the Government have done far better out of this scheme than they ever imagined when it was first agreed. The arrangement that was settled back in the 1990s saw the UK Government acting to guarantee the scheme and all pensions in cash terms in return for a 50% share of future services. It is important to recognise the importance of the Government guarantee and the protection it has provided to former miners. It means that the trust has been able to invest with security, and it has done incredibly well with those

investments. Some credit for the fantastic investment returns made by the scheme has to come back to the fact that the guarantee allows the trust to invest without risk. That being said, time has moved on. The risk has moved on—it is not the same as it was back then—and I believe there is a case for revisiting the sharing arrangements, that the balance should be tipped in favour of the miners, and that the recipients of the scheme should keep more than 50%.

Ian Lavery: I am curious to understand what the hon. Gentleman has just said. He thinks that now is the time for the scheme to be tipped in favour of the miners, but what about before?

Ben Bradley: I thank the hon. Gentleman for that, but I think it was a fairly pointless question. I am not in a position to go back and change the past. I am here in this Chamber talking about now.

The Government have had far more income from the scheme than they ever imagined. Many of the beneficiaries who are still with us are increasingly suffering with industry-related health conditions and are in need of support. It would be relatively simple for the Government to shift the balance, perhaps by offering a 70-30 split or going even further. The risk to the Government and the taxpayer is not what it was in 1994. We can split hairs about when the right time to do this might have been, and it was probably several years ago, but we are here now and we are talking about it.

Colleagues have gone into great detail about the costs and benefits of changing the balance. I have sought to do so previously with Ministers, but I feel that the best advocates for the change are the mineworkers themselves. That is why I have sought to get them together with campaigners, trustees and the Government to discuss this. I believe it is now time for the Government to undertake a formal review of the arrangements and consider the case for reform in proper detail.

Former coalfield communities are among the poorest in the country, and older people in particular struggle to make ends meet without savings and without much support beyond their pension arrangements. These coalfield communities are among the hardest working and longest suffering in our country, as the hon. Member for Easington said. The miners worked in darkness so that we could have light and, although much of that happened before I was born, I have every respect for those constituents in my community who worked incredibly hard to look after the rest of us and to ensure that we could have the quality of life that we expected.

Ensuring that miners can keep more of the surplus from these investments will have a life-changing effect. Many of them are on low incomes and it would help to boost their lives individually while they are still around to spend that money. It would also help to boost whole communities, such as mine in Mansfield and Warsop. As my hon. Friend the Member for North West Leicestershire (Andrew Bridgen) said, more money in miners' pockets in communities such as Mansfield is money that will be reinvested back into those deprived communities and help to boost them.

Some have suggested an increased guarantee as a compromise to cover the scheme's bonuses, but although that sounds nice—and sounds like Government doing something—it will not put any extra money into the pockets of those miners. It would merely guarantee what they already get. We have already seen that the risk of needing that guarantee is very small, so I do not think that that is good enough. This is a chance for the Government to show that we are on the side of people who have worked hard and paid into the system, and that we will help them. To me, that is what the Conservative party should be about, so I hope that the new Minister and his Department will work alongside the Treasury and the trustees to review the scheme and to ensure that the hard-working miners who gave so much to their communities, including in Mansfield, will receive their fair share. I look forward to discussing this with him further.

8.23 pm

Edward Miliband (Doncaster North) (Lab): I am glad to follow the hon. Member for Mansfield (Ben Bradley); it is good that there is all-party support for this debate. I want to congratulate my hon. Friend the Member for Easington (Grahame Morris) on his brilliant speech and on setting out his case so eloquently. I am speaking in this debate because I want to see justice for the retired miners in my constituency of Doncaster, North and, indeed, across Doncaster and the whole country. Miners worked their backs off for this country at great cost to themselves, often causing themselves ill health and a shortened life expectancy. Their families watched their loved ones risk their lives for this country, and the least we owe them is fairness and justice, which is what this debate is about.

As my hon. Friend said, the average payment under the scheme is just £83.98 per week—around £4,000 a year—so we are talking about people for whom every pound will make a difference. It cannot be right that £4 billion—and counting—has gone to the Government and not to the miners. That does not seem fair or right, and I think that that is recognised across the House. My hon. Friend and the hon. Gentleman have spoken eloquently to the current injustice, and the hon. Gentleman said that if we look at the scheme now, it just does not seem fair. The specific and relatively brief point I want to make is actually about the past, because if the scheme does not seem right now, I think we have strong grounds for thinking that it was not right in 1994 either, when the original decision was made. That might look like a matter of historical detail, but I do not think it is. We are where we are now because of that decision, which Governments of both parties have abided by.

I am particularly grateful for the conversations I have had with my constituent Les Moore, whom the hon. Gentleman mentioned, and his organisation, the UK Miners Pension Scheme for Justice and Fair Play Association, which, along with the NUM, has toiled on this issue for years. The 50-50 split was decided and announced in April 1994, and we all know what happens when a decision like that is made: inertia sets in. The Treasury is getting billions of pounds as a result, and nobody wants to revisit the matter. No Chancellor, Conservative or Labour, wants to give up that amount of money. But what was the basis of that original decision? Remarkably, it is 25 years old and we still do not really know the basis for it.

I want to pay tribute to my hon. Friend the Member for Barnsley East (Stephanie Peacock), because she asked the most material question of all to the Minister last year. She asked the Government to publish the

[Edward Miliband]

actuarial advice on which the surplus sharing arrangements were made. As my hon. Friend the Member for Easington said, the reply was, extraordinarily, that no such advice was obtained. If there was no actuarial advice behind a decision that had billions of pounds-worth of implications for hundreds of thousands of miners and their families, that really was negligence of the highest order.

The more closely we look at this decision, the more dubious it becomes. A document from September 1993 was released under a freedom of information request in 2016. It is a report carried out by the Government Actuary, and it is the closest document that anyone can find that is relevant to the time. It is not about the future arrangements, but it does talk about the current practice at the time and implies that at that point miners were enjoying not 50% of the surplus but 70%. So the question then arises: if 70% was the basis of the scheme then, why did it change to 50%? We just do not know the answer to that question.

My point about the history is that Governments of both parties have said that the decision was properly made in 1994, but the increasing evidence is that the decision was not properly made at the time. I have a simple request to the Minister, which is that he should publish the papers underlying the decision that was made in 1994. Then we could all see for ourselves for the first time how and why the decision was reached and what has changed since then. My simple belief is that the decision was not fair then and that it is not fair now. Miners gave so much to our country and we need to repay our debt to them. On that basis, and on the basis of the case set out by my hon. Friend, I believe that it is high time the Government launched a review so that there can be justice for my constituents and for tens of thousands of mineworkers and their families.

8.28 pm

Bill Grant (Ayr, Carrick and Cumnock) (Con): It is a pleasure to follow the right hon. Member for Doncaster North (Edward Miliband). My constituency covers what was formerly known as National Coal Board Scotland west area—a thriving mining community in its day—and this is one of a series of debates brought over the years in a bid to seek a fairer distribution of the surplus from the mineworkers' pension scheme. The scheme was, in effect, divided into four sub-funds—the guarantee fund, bonus augmentation, guarantors, and investment reserve—with it being possible to vire moneys between some sub-funds, as appropriate, but the bonus augmentation fund is an exception, because there is no provision by which to make up any shortfall. The mineworkers' total pension payable is protected, rises in line with inflation, and does not fall in cash terms.

There has been a long history of reasonable and fair requests for changes from former mineworkers, their widows, the Coalfield Communities Campaign and many others, including myself, whose relatives were miners. In my case, my father, my father in law and many other family members were miners. We empathise with those who served in the pits and who are seeking a pension commensurate with the daily dangers that they encountered at the coalface.

Luke Graham (Ochil and South Perthshire) (Con): My hon. Friend makes a good point about some of the dangers that coalminers faced at the coalface. In Clackmannanshire, which I represent, we still see not only the dangers that they faced back at the time, but the legacy and the long-term health impacts. Does he agree that it is time to review the fund and its distribution and that we should set regular reviews with actuarial advice to ensure that the distribution is fair and equitable in both good times and bad?

Bill Grant: My hon. Friend makes a valid point. Those who were colliers or miners can become victims of silicosis and pneumoconiosis—common names in my household and my father's—which affect the respiratory system. This group of people deserve a review that favours them. Many miners unfortunately go on to develop ill health later in life, which can often be attributed to the conditions in which they worked underground.

The men who wroughed hard, as we say in Scotland, in the bowels of the earth to put the "Great" in Great Britain fuelled the industrial revolution and kept the home fires burning through two world wars. It is worthy of note that the Labour party agreed to consider their concerns, but it found itself unable to do so as far back as 2003, due to a fall in world stock markets, so the original 50-50 share of the surplus prevailed. Even with the passage of time, it is clear that that unpredictability remains, given the immense dependency on the behaviour of money markets and the return from stock exchanges. It is essential to take a risk-based approach to ensuring that any Government, as the guarantor, are robust in securing and maintaining funding for the future.

The contingent pension liability for British Coal's two pension schemes was valued at the modest sum of approximately £16 million. Some argue that recent surpluses need to be balanced against previous deficits, but I am unsure whether I would support such an approach. It was reported that there was a large surplus in the guarantee fund in 2017, with half being destined to provide bonuses to pensioners. The trustees announced new bonuses representing an increase equivalent to 4.2% of guaranteed pensions in the six years to 2023. In addition, there were to be improved benefits, and quite rightly so, for members under 60 who were not yet retired but who were experiencing serious ill health from spending decades underground. Such modest moves are to be welcomed, as is the coalfield communities fund that assists some of those communities.

In 2018, the Minister for Energy and Clean Growth instructed her officials to liaise with the pension fund's trustees with a view to considering revising the scheme for the benefit of all parties. Earlier this year, she advised that that was ongoing, so this evening I ask the Minister to endeavour to expedite the review, given the increasing age and ill health of many mineworkers, to achieve any necessary adjustments to meet the earlier stated principle of a fair and equitable sharing of risk and, more importantly, reward in the interests of both scheme members and the Government. Finally, I hope that the review will look kindly on the remaining miners and their widows and afford them the financial dignity that they so richly deserve.

8.33 pm

Gloria De Piero (Ashfield) (Lab): It is a pleasure to follow the hon. Member for Ayr, Carrick and Cumnock (Bill Grant) and to see cross-party consensus around the need for change. I also congratulate the Backbench Business Committee on selecting this extremely important subject for debate.

I have been campaigning on the mineworkers' pension scheme for some years alongside my hon. Friends from other coalfield communities and with both the National Union of Mineworkers and, crucially, the trustees of the pension scheme. We are all united in and committed to our goal of achieving a fairer pension for the thousands of former mineworkers and their widows who have stood by in dismay as the Government's coffers swelled with billions of pounds made on their pension investments.

In answer to parliamentary questions, the Department for Business, Energy and Industrial Strategy has admitted, in its role as guarantor of the mineworkers' pension scheme, that the Government have received nearly £4.5 billion since 1994. They have never had to pay a penny into the scheme. Even now, they expect to receive around £142 million a year from the scheme surpluses—a truly eye-watering figure. No wonder there is a huge amount of anger and resentment in mining communities because of it. The phrase I hear from many ex-miners in Ashfield is, "The Government is taking our money."

Some people think ex-miners have a fantastic pension that is the envy of those on pensions from other traditional industries, but the truth, as my hon. Friends have said, is that the MPS pension is worth not much more than £80 a week. The truth is that many ex-miners and their widows are on a very limited income and struggle to make ends meet. That is some thanks for the back-breaking work these men did literally to keep the country's lights on.

The conditions in which miners worked were uncomfortable at best and downright dangerous at worst. Keith Stanley, whom I know well, worked at the coalface in Nottinghamshire for 35 years, and he describes what it was like for miners down the pit: digging in narrow tunnels, just four feet tall at most; coal raining in on them regularly; travelling for an hour underground just to reach the coal seam before doing a shift; and grafting in hot and dirty conditions that most of us could not imagine.

Men were transferred to neighbouring collieries when the pits began to close, but when places ran out as more and more mines shut down, too many of them were tossed aside, left to find work in local factories or as manual labourers if they were lucky. Now approaching old age, many of them do not have the pension they hoped for and watch in dismay while money made from their pension investments is pocketed by the Treasury.

Keith told me that this injustice has always grated on him and that the oft-repeated Government line that ex-miners have a good deal leaves him seething. On the contrary, it is the Government who seem to have the good deal. When the guarantee arrangements were first negotiated, it was never forecast that the Government would make so much money from the scheme. They have banked billions more than expected, which is why we are now debating the right thing to do.

Luke Graham: I do not want to break the consensus that is building in the Chamber tonight, but the hon. Lady calls this an injustice and blames the Government. Why, then, did Ministers in the Labour Administration stand at the Dispatch Box in 2001, 2002 and 2003 and refuse to have that review? Why is it okay for Labour Members to call for it now? At least be honest about it.

Gloria De Piero: I accept that and, actually, the negotiations began at the end of the last Labour Government's term—representatives of the National Union of Mineworkers have told me about the meetings they had in No. 10—but we left office. Will the hon. Gentleman acknowledge the millions that we spent on compensation for industrial injuries and industrial white finger?

Ian Lavery: We are talking about good deals and bad deals, but it is not just about the surplus. Is my hon. Friend aware—I am sure she is—that, when the Government acted as a guarantor in 2002, there was a deficit of £390 million? Then, in 2005, the Government took back that £390 million from the scheme's funds, plus interest. That amounted to £540 million. Not only that, but they took a further £229 million, which was 50% of the fund's surplus. Talk about good deals and bad deals. I am sure she totally agrees that this is a bonanza for the Government. It is daylight robbery.

Gloria De Piero: "Bonanza" is right, "cash cow" is right and "injustice" is right when it comes to the mineworkers' pension scheme.

In a recent letter on this issue, the Treasury referred to the 50-50 split of the surplus sharing arrangement as "reasonable recompense" for past investment in the MPS. Indeed, the Department for Business, Energy and Industrial Strategy has also stated that this arrangement is "in recognition of contributions" that the Government previously made to the scheme.

I ask for some clarity from the Government on this issue, as a recent answer to a written question I posed states that their involvement in the scheme began at privatisation, and we know from previous answers that the Government have not paid into the scheme since privatisation. What past investment or contributions can they still be being recompensed for? If there are none, surely this, along with the fact they have made far more money than expected from the scheme already, justifies the opening of negotiations into reviewing and reducing the surplus sharing arrangement. With such a strong case on such an important issue, though I thank the Backbench Business Committee for giving us time to debate the MPS, it is high time that we had a debate in Government time, with engagement from Ministers, so that we can look at finally righting this historic wrong.

8.40 pm

Stephanie Peacock (Barnsley East) (Lab): I am pleased to follow my hon. Friend the Member for Ashfield (Gloria De Piero), who has been a long-standing campaigner on this issue. I wish to congratulate my hon. Friend the Member for Easington (Grahame Morris) on his passionate speech in opening this debate, and I thank him for it. It is a pleasure to have the opportunity to be here fighting for an issue that matters so much to the lives of many of my constituents in Barnsley East. This debate on the MPS follows my Adjournment debate on the same subject in February, where we discussed the contribution made to this country by miners who toiled

[Stephanie Peacock]

for decades, and the money the Government have unfairly taken from their pension scheme. Although I am pleased that this debate has been granted—I thank the Backbench Business Committee for selecting it—what we need now is action, not more words.

Since the scheme was established, following the privatisation of British Coal in 1994, the Treasury has pocketed more than £4.4 billion, with nearly half a billion more over the next three years planned. Yet since 1987 the Government have not paid in a single penny, and instead claim their undertaking as guarantor makes this a fair price worth paying. In return, the average retired miner must get by on about £84 a week, while some are forced to settle for much less.

Luke Graham: The hon. Lady is talking about returns. Does she recognise that a 40% return on an investment fund is extraordinary? One does not have to be a City hedge fund manager to understand that. A lot of that is down to the fact that the Government are a guarantor. Does she agree therefore that regular reviews should take place and that the percentage should be variable, based on the performance of the fund, as 50% or 90% of nothing will be nothing for the miners?

Stephanie Peacock: I will come on to talk about what split I think there should be, but I just ask the hon. Gentleman whether he could live on £84 a week. That is what a lot of retired miners in my constituency—

Luke Graham *rose—*

Stephanie Peacock: I have taken an intervention and I am going to make some progress.

As I was saying, these staggering sums are born out of the 50-50 surplus-sharing arrangement. Let us not forget that, as has already been pointed out in this debate, this agreement was made without any actuarial advice—it is simply staggering. This agreement simply must be reviewed and amended to give miners a greater share of what I believe is fundamentally their money. It is patently unfair that these miners, who powered our nation, are left to fight for crumbs off the table.

Leaving aside questions of fairness, the sharing surplus arrangement no longer makes financial sense either. The Government claim the risk they undertake in underpinning the pensions in their role as guarantor justifies this huge price paid and they suggest that without their backing the current value of the pensions would be considerably less. That is certainly up for debate, but what is not is that the landscape has changed drastically since this original agreement was made. For instance, the risk they assumed in 1994 in acting as guarantor has decreased substantially since then. The membership of the scheme alone has fallen considerably, for example. In 2006, there were 280,000 members, whereas there are now fewer than 160,000—by 2026, there will be just 125,000. So the financial risk for the Government has decreased and will continue to do so, yet miners in the scheme are still essentially charged the same price for the guarantee as they were 25 years ago. From a financial perspective, the scheme is no longer proportionate or providing value for money, yet the Government are willing to ignore this in order to continue boosting the coffers of the Exchequer.

On that note, in my previous Adjournment debate the Minister further attempted to justify this income by stating the Government have spent about £1 billion in coalfield communities over the past two decades—but that still leaves billions taken from the miners unaccounted for. Surely, the Government should at least tell us where that money has been spent?

Rather than in the Treasury, money should be in the pockets of retired miners. Along with the scheme trustees, the Government have the authority to make that so, by amending the surplus sharing arrangement, providing genuine value for money and righting this injustice—so will they? Will they, like the Labour party, commit to an immediate review of the current scheme as it stands? As part of that review, will they consider the NUM-commissioned report that suggested a 90-10 split in favour of the miners? Will they meet me, other coalfield MPs and the NUM to discuss that recommendation further? Will they acknowledge that the benefits brought to miners' pensions by the Government's guarantee simply no longer provide value for money? These are good, hard-working people who toiled for decades for the good of our country. The Government should put right this wrong and give miners what is rightfully theirs: a decent pension that they have earned and paid for.

8.45 pm

Nick Smith (Blaenau Gwent) (Lab): I thank my hon. Friend the Member for Easington (Grahame Morris) for securing this important debate about miners' pensions, and I praise my hon. Friend the Member for Barnsley East (Stephanie Peacock), who made a cracking speech.

This is an important issue for the people of Blaenau Gwent and across the south Wales coalfield. I wish to focus on people I know—people in my family, like my uncle Dessie, and his comrades—and why they need a fairer deal. I need to declare an interest: my family worked in coal and steel, the two industries that drove our industrial revolution and built Great Britain. My great, great grandfather was an iron puddler from Merthyr. It says on my birth certificate that my dad was a labourer at the GKN steelworks in Cardiff. My great grandfather was killed down the pit. My grandfather got crushed under a coal fall at Markham colliery. The three uncles on my mum's side were colliers. Their stories are important to explain why we need action. I will concentrate on just one of them.

My uncle Dessie Winter started work when he was 15 at the NCB brickyard in Tredegar. After that, he started working underground in the Oakdale colliery, further down the Sirhowy valley, where he spent the next 17 and a half years of his life. He worked there alongside his brother, his brother-in-law and his butties from Ashvale. Several generations of Tredegar families worked at this pit to keep the lights on, the fires burning and our country running. At work, they faced daily dangers: explosions from gas leaks, flooding and, of course, the dust.

Dessie's generation saw the industry change, from prosperity to the miners strike. Oakdale closed in 1989. Marine colliery, where my uncle Jackie worked, closed the same year. The mines are pretty much all long gone now. The coal industry employed 400,000 people in the year that Dessie started; now, just 700 work in coal, and

there are just 150,000 mining pensioners. The Government's obligations to Dessie's comrades and thousands like them have to be met.

When I speak to Dessie about the pension scheme, his first concern is making sure that widows get a fair share. They currently get around two thirds of the pension, but with colliers getting perhaps £84 a week, that fall of around £30 a week is really hard for widows. Dessie paid in for decades and thinks that his wife should get her fair share.

The second thing he talks about is just how much money the Government get from the scheme. The Government guarantee is critical—I do not think anyone will dispute that it is needed—but there is a real question about how much the Government receive in return for it. The current arrangements have netted the Government more than £4 billion since 1994. That is right: pensioners are subsidising the Government. Billions of pounds have been pocketed by the Chancellor without the Treasury making any direct payments into the scheme itself. Dessie feels that the Government are taking the cream off the top of the miners' money, and who could disagree with him? When I spoke to him recently and asked what his friends from the pit thought about the pension deal, he said, "Nick, there are not so many here now." Some 6,500 miners passed away last year alone.

The Government have a duty of care to those who are left and to their families for all that they have done. I call on the Minister to do two things to help set things right. First, will the Government implement the proposals that the trustees have made about protecting pension bonuses? That means that miners will have a larger guaranteed pension pot. Secondly, the Government must bring forward a review of the current sharing arrangements, which should consider the Government taking a reduced share, so that more money can go to retired miners and their widows.

Dessie and his generation just want fair play. They have put in decades of physically tough and dangerous work to dig coal and keep the economy going for all of our futures. The Government must repay that debt to them.

Several hon. Members *rose—*

Madam Deputy Speaker (Dame Eleanor Laing): Order. Everyone has been very good at keeping to time, but I will have to reduce the official time to six minutes to make sure that everybody gets a fair chance.

8.50 pm

Danielle Rowley (Midlothian) (Lab): I swear that, for the past few times that I have spoken, the time limit has been reduced just before me, but I do not blame you, Madam Deputy Speaker.

It is truly an honour to follow my hon. Friend the Member for Blaenau Gwent (Nick Smith), who just gave such an emotional and personal speech. I thank my hon. Friend the Member for Easington (Grahame Morris) for his speech and for the debate as well.

I am honoured to represent a rich mining community, home to the Lady Victoria Colliery, which was Scotland's first super-pit, with a workforce of almost 2,000 at its peak. It was nationalised in 1947 by a Labour Government who invested in working class communities. A thriving mining community grew up around this pit in Newtongrange and in other Midlothian towns which, like many other mining communities, have suffered since the closure of the pits.

The site of the colliery is now home to the National Mining Museum, which is a fantastic museum and events base. It ensures that the role and the national significance of the mining industry and the impact that it had on the lives of those who lived in mining communities are never forgotten, and yet mining communities are being forgotten by this Government. Their voices are being ignored and they are being unfairly and unjustly treated, as we have heard from all parties in this debate today.

We have heard about the average miner's pension, but some retired miners and their widows are living on roughly £60 a week at the bottom, and that is just disgraceful—absolutely disgraceful. It has also been reported that at least 6,000 ex-miners have had their pensions cut, and that is despite the huge profits that are being made by the Government—an estimated £10 billion over the past 20 years under this current arrangement. At the time of the agreement, it was estimated that the scheme would generate a £2 billion surplus over 25 years, but, as we heard from some of my colleagues, that has been underestimated and there is actually more.

The amount given to ex-miners must be re-evaluated. The Government have been rewarded with huge undeserved sums and, as we have heard today, they are treating the mineworkers' pension scheme as a cash cow. It was meant to be a safety net for miners, not a money earner for the Government. My hon. Friend the Member for Blaenau Gwent used a phrase that I thought was particularly illuminating. He said that pensioners were subsidising the Government. Is that not disgraceful?

The work of miners in Midlothian and across the country was integral to the development of the wealth of our country. Britain developed in part on the backs of miners, and we have to show our gratitude to them, we absolutely do. The miners' work was very physically demanding and, as we have heard, it has led to many retirees living with associated health conditions.

I would like to take the chance to pay tribute to the Lothian miners' convalescent home, Whatton Lodge, in East Lothian for all the work that it does looking after retired miners and their families. It celebrated its 70th anniversary recently. It does great work for miners in Midlothian and across the Lothian area.

I am glad to have been called to speak in this important debate. The hon. Member for Mansfield (Ben Bradley) talked about not even having been born when some of the pits were closed. I think that I just pip him on being a little bit younger. It is so important to have young voices from across the Chamber speak in this debate, because we must ensure that the voices of miners are not lost.

Hugh Gaffney (Coatbridge, Chryston and Bellshill) (Lab): My hon. Friend is talking about young people. This year in my constituency of Coatbridge, Chryston and Bellshill, the Auchengeich miners commemorate 60 years since 47 miners died in a fire—paying the real price of coal. Their children grew up fatherless, with no money, and people are still suffering today. That is the real price of coal. The Government should give the money back to the miners.

Danielle Rowley: My hon. Friend is right that this has to be an intergenerational debate. We have to show solidarity with retired miners and their families.

I am so proud to be from a mining community, but also from a mining family. Both my grandfathers were miners. In fact, my granda Ron Curran celebrated his 92nd birthday with me on Saturday, and it was a great event. He always fought for justice for miners, and I continue to do so in his honour.

Andrew Bridgen: The hon. Lady talks about coalfield communities. Does she agree that they are gritty, proud, and among some of the hardest working and most honest communities in the country? These are not communities that expect something for nothing—they worked for everything they got—but what they do expect is what they are due and deserve from their pension fund, which they have worked so hard for.

Danielle Rowley: It has been really good to see the solidarity shown from both sides of the House on this issue. Earlier, the hon. Gentleman mentioned investment in pit areas. Miners typically stay in those areas and invest in them, and not only do retired miners tend to stay in the areas where they worked; they also give so much back. There are some fantastic retired miners and widows of miners in my area, such as Alex Bennett and Margot Russell, who have done amazing work locally and have given so much back. I was going to say that these people should be rewarded, but this is not about giving them a reward; this is about giving them what they worked for, and that is so important.

Ian Lavery: We should not be pleading for the miners to get justice in this Chamber. These are deferred wages. The miners actually put the money in the pot in the first place. From 1987 to 1994, there was a contributions holiday for the National Coal Board that cost £1.2 billion. We are talking about deferred wages that the miners worked for; they paid the money into the bank account out of their own pockets, and here we are pleading for justice.

Danielle Rowley: My hon. Friend is bang on. These are absolutely deferred wages. This is money that belongs to retired miners.

The Under-Secretary of State for Business, Energy and Industrial Strategy, the hon. Member for Pendle (Andrew Stephenson) has already committed to exploring options on a cross-party basis, but will he commit today to meeting ex-miners, the NUM, pension trustees and Members across the House from mining communities, and then review these arrangements urgently?

We all seem to agree that this arrangement is unfair and unjust, and it seems not to be based on facts or evidence. It cannot be right that the Government are making so much profit and the pensioners are being left with basic allowances. Miners created the wealth, and they should be able to access it for a dignified and well-supported retirement. I echo the calls of hon. Members across the House, and call for an end to this pension theft for retired miners and their families in Midlothian and across the country.

8.59 pm

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): I am pleased to be able to speak in this debate and I thank the Benchbench Business Committee for bringing it forward.

I really hope that tonight's debate will give the Government an opportunity to reflect on their position and put right the injustice felt by thousands of former miners in Merthyr Tydfil and Rhymney and across the country. We must consider what has been contributed over past decades. Thousands of miners, as we have heard, gave the best years of their lives and worked in dangerous conditions. In many cases they gave their health, and in some cases even their lives, for the coal industry. There can probably be no greater price paid for coal than the Aberfan disaster in my constituency in 1966 when 116 children and 28 adults lost their lives.

My paternal grandfather was killed in Ogilvie colliery in 1944 when he was just 32 and my own father was just one year old. On my mother's side, my great-uncle was killed in 1962 at Elliot colliery in New Tredegar at just 19 years of age. Sadly, these losses were replicated all too often across the coalfields and over the decades. In addition, hundreds, if not thousands, of miners suffered poor health over many years, including my maternal grandfather, who suffered many years of ill-health due to his many years as a miner.

Carolyn Harris (Swansea East) (Lab): It would be very remiss of me not to mention my predecessor, Siân James, whose early life as a miner's wife was immortalised on the big screen in the movie "Pride". It was with Siân that I visited the Gleision mine in September 2011 and looked into the faces of the women who prayed that their men would be returned to them safely. Unfortunately, they were not. Miners have always risked—and, sadly, all too often given—their lives just for doing their job. Does my hon. Friend agree that those who did survive and reach pensionable age should not now be struggling on a paltry pension while the Government are rewarded with vast sums of money from a scheme that they have not paid a penny into—not a penny?

Gerald Jones: I thank my hon. Friend for that intervention and agree with her. She talks about the injustice of this, which I will come on to later. I pay tribute to her for the campaigning work that she has done in Swansea East. I also pay tribute to her predecessor.

Susan Elan Jones (Clwyd South) (Lab): My hon. Friend mentioned some of the disasters that mining communities have faced. I cannot but mention the Gresford disaster in north Wales in which my paternal grandfather lost his life. Clearly, there is a moral case for why the Government need to act on this, but there is also a really good financial case, because we are not talking about that much money. It really is imperative that they act.

Gerald Jones: I agree with my hon. Friend's comments. The history of our coalfields is littered with examples of the sacrifices that our communities and miners made, and it is important that this is recognised.

In more recent years, conditions improved and so did the terms of employment. The Government acting as guarantors for the scheme in 1994 was the right thing to

do to make sure that the value of the pension fund did not decrease. That is why it is now essential for the Government to address the injustice and unfairness felt by miners over the pension scheme and the way it has been handled over the past 25 years. As we have heard, the Government have benefited from huge payments over the years. However, we must ask them to reconsider their position and whether it is still appropriate for them to benefit from such huge payments. Miners in areas like mine, and across the country, did so much to support the generation of power for the nation. Indeed, the coal and iron works in my constituency helped to power the country for many years, going way back to the industrial revolution. Those former miners therefore deserve fairness and a guarantee that that they are looked after.

Miners have had to fight injustice before, for compensation for pneumoconiosis and other diseases. Many former miners feel that the way in which the pension fund is currently administered is certainly not fair and equitable. Too often, they have been let down. My first involvement in politics was as a 14-year-old during the miners strike in 1984 when communities like mine were supporting the miners in the year-long fight for jobs against an uncaring Tory Government.

In April, I was pleased to co-sign a letter co-ordinated by my hon. Friend the Member for Blaenau Gwent (Nick Smith), who has done so much on this issue over a number of years, calling on the Government to review their position on the sharing arrangements with the fund. It seems grossly unfair that miners are receiving an average pension of £84 per week—in some cases, a lot less. If we contrast this with the £4.4 billion the Government have received, it is hard—in fact, nigh-on impossible—to justify. It is indeed, as others have mentioned, a disgrace. It is certainly not fair, as the Government have not had to contribute anything to the scheme. They must have made far more money than was ever forecast to be the case. It is therefore time for a review.

The balance of risk was very different in 1994, when British Coal ended. People are much more informed all these years later. At the very least, the Government should conduct a review to ensure that they treat miners and their families with fairness. That does not appear to be the case at the moment.

The surplus share arrangements of the pension scheme were altered in 1994 from 70-30 to 50-50. Independent legal or financial advice to offer a due diligence approach does not appear to be evident. Was it ever sought or obtained? These were and are huge sums of money belonging to the miners. At the very least, in the apparent absence of such advice, it would be fair and transparent for the Government to undertake a review, so that the evidence and opinions of those affected or involved in the scheme could be taken into account.

Finally, membership of the scheme has decreased over the years and now stands at 160,000. The Government's financial risk is therefore in decline, yet the 50% ratio is still the same as 25 years ago. There is a sense of urgency. The former miners are not getting any younger, and I am sure we all agree that they should get the benefit from the scheme while they are alive. We need action now, and I hope we will get some answers from the Minister this evening.

9.5 pm

Jo Platt (Leigh) (Lab/Co-op): It is a pleasure to follow my hon. Friend the Member for Merthyr Tydfil and Rhymney (Gerald Jones), and I congratulate the Backbench Business Committee on securing this important debate.

As the MP for a former mining community, I want to begin by stating how proud I am to know and represent the ex-miners and their families in Leigh. They are the pride of our town, and their stories are legendary. The coalmines were the beating heart of our community, and we owe the miners an enormous debt of gratitude for their service to our towns. It is for that reason that their struggle is so heartbreaking. For decades they bravely worked to serve their towns, and now they feel we have let them down. Some feel they have been exploited, and many are angry that they have not been given the respect and support they feel they have earned.

To treat former miners and their communities in the way they have been treated in the past few years, while reaping more than £4.4 billion for the Government coffers, is the height of disrespect. The £4.4 billion that the Government have received should have been used to invest in the miners' towns, give them a high standard of living and ensure that their health and finances were fit to give them the dignity in retirement that they deserve.

Andrew Bridgen: Will the hon. Lady give way?

Jo Platt: I will not, because I know that a few Members are waiting to speak, and we are short of time.

The sad reality is that the miners have faced real hardship and neglect. Their finances have not been protected, with hundreds of cases of miners and their families living in poverty after their retirement, and their health has been endangered. Communities like Leigh have not been given the investment they deserve to keep our economy and society strong after the pits closed.

Towns like Leigh were once the beating heart of the country, but after decades of neglect, Leigh is at the bottom of the social mobility rankings, without the resources to rebuild its economy. The truth is that our post-mining community are not asking for much. They are not asking for some lavish lifestyle—they just want what they deem to be rightly theirs, but every step of the way they have had to fight tooth and nail for the healthcare, pensions and respect that should have been granted.

Andrew Bridgen: Will the hon. Lady give way?

Jo Platt: I am sorry, but I am not going to give way.

If it were not for brave and relentless fighters like Colin Rooney, who campaigns on behalf of the south Lancashire coalfield, we would never have the incredible campaigning force that we see today, which deserves enormous respect. Anyone who speaks to our ex-miners knows that they give it to you straight, and when they see injustice, they do not stop fighting. For this Government to ignore their plight and leave this injustice burning would be reprehensible. They have a duty to start setting right the wrongs that these men have suffered.

If we needed more evidence that this Government have no regard for our ex-miners, a few weeks ago, in response to my question, the Prime Minister said that

[Jo Platt]

she was proud to be raising safety standards in mines—forgetting that her predecessors closed them all. Raising safety standards in closed mines is perhaps the only achievement that the former Prime Minister can safely claim.

This debate goes further than just miners or the miners' pensions that must be re-evaluated. This debate reaches to the way we as a society care for those we sent into dangerous conditions, those who lost their jobs when the pits were closed and those who have seen their communities neglected, so we must today send the message that the indignity will end. Our ex-miners are still the beating hearts of towns such as Leigh, and now we must all give them the respect they deserve for their service to their local communities.

9.9 pm

Helen Goodman (Bishop Auckland) (Lab): It is a great privilege to speak in this debate. I want to congratulate my hon. Friend the Member for Easington (Grahame Morris), who is almost my constituency neighbour, on introducing this debate. In Bishop Auckland, I obviously represent hundreds if not thousands of former Durham miners who are affected by this injustice. As other hon. Members have said, mineworkers did difficult and dangerous work. They built the wealth of this country for over 150 years, and we owe them a huge debt.

One of the things in the Chief Secretary's letter that really jumped out at me was her claim that the scheme works for beneficiaries. It patently does not work for beneficiaries. She says that the guarantee of value for individuals is that there should be no reduction in cash terms in the overall value of the mineworkers' pension. What that means is that people can and, in fact, do see reductions in the real values of these pensions. This is deeply unfair. The Treasury has had £4,438 million from the surpluses of the scheme.

Andrew Bridgen: Does the hon. Lady agree with me that in this debate, for once, the right hon. and hon. Members taking part in it are not asking the Government to put their hand into their pockets, but asking the Government to get their hand out of the pockets of the former miners and their widows?

Helen Goodman: Well, I think we will hear whether Treasury Ministers see it in quite that way at the end of the debate.

The other unfairness is that, as hon. Members have said, the 50-50 split is completely arbitrary. No reason has yet been given as to why the split should not be 70-30 or even 90-10. Another point worth bearing in mind is not just that the mineworkers contributed to the scheme, but that for many years miners were not well-paid industrial workers. I hope my hon. Friend the Member for Bolsover (Mr Skinner) is not going to correct me, but my recollection is that, in 1972, the average wage of a miner was £26 a week. By no stretch of the imagination were people having a high standard of living, and the very least they can expect is that they and their families have a decent and dignified retirement.

Not only is this unfair, but it is also urgent. My hon. Friend the Member for Blaenau Gwent (Nick Smith) spoke beautifully about the impact on his family of the accidents and ill health that came with being a miner. In my constituency, the wards where the former miners live have a healthy life expectancy fully 10 years less than in other parts of the constituency. These are not one-off anecdotes; this is a whole systematic impact on communities.

My final point is that this is completely affordable. I think we have heard that the value of the pension to individual miners is now about £4,000 a year. As my right hon. Friend the Member for Doncaster North (Edward Miliband) said, the Treasury has grabbed the £4 billion, and having done this deal it is trying to hold on to it. I would like to set this in context. This is a Government whose Members are seriously considering electing as the next Prime Minister of this country somebody promising tax cuts worth £4,500 to everybody with an income over £50,000 a year. Surely if there is any commitment to justice in this country, before there are any more tax cuts for any wealthy people, the mineworkers should get their money.

Several hon. Members *rose—*

Madam Deputy Speaker (Dame Eleanor Laing): Order. I am sorry, but we have to reduce the time limit to five minutes.

9.14 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I thank the hon. Member for Easington (Grahame Morris) for securing this important debate. I agreed with every single word of his speech. He made an unimpeachable case and the motion should be supported this evening by the Government.

It has been four months since our last debate on this issue. Despite calls from several hon. Members and a petition signed by more than 100,000 people, which I was proud to present to the Prime Minister at No. 10 Downing Street in March with the hon. Gentleman, there has been little progress. I presented the petition alongside campaigners Ken Sullivan, Gareth Hughes, Emlyn Davies and Neville Warren, who have worked tirelessly for justice. I pay tribute to them for their work.

Coalmining shaped the Wales that we know today. Our landscape was reshaped by massive slag heaps and our population shifted en masse from rural Wales to the coalfields, creating vibrant communities, only for them to be ripped apart by the brutality of Thatcherism. The miners strike of 1984 remains vivid in my memory. I was only eight at the time and clearly oblivious to the forces at work. However, the events of that year and their aftermath left a lasting impression on my political thinking. I do not come from a mining family. However, many of my school mates did and I remember to this day the impact of that strike on their wellbeing as that year-long struggle developed.

My father, however, was a trade union shop steward with the electricians union and it was clear to me what side of the fight we were on as a family. This year my father told me, out of the blue, that his grandfather was killed in a mining disaster underground at a pit near Llanelli, which just goes to show that for Wales the coal industry is deeply personal for the entire nation, which is why today's debate has added significance. I became acutely aware of the power of the British state to destroy Welsh communities and became convinced that the best

way to protect my country was the creation of a Welsh state, as opposed to leaving economic powers in the hands of Westminster.

In many respects I come from a frontier community, which borders post-industrial and rural Wales. The Amman valley sits on the anthracite coalfield, which produces the best coal in the world. To our west lies rural Wales, to the north the beautiful wilderness of the Brecon Beacons, to the south the coast and the great industrial urban centres of Swansea and Llanelli, and to the east the Welsh coalfield valleys, which stretch the whole way, more or less, to the English border. The people of the Welsh coalfields are extremely proud people. Community bonds continue to be strong. Our communities continue to be vibrant. What we lack in comparative economic wealth we make up for in social vitality. That is the legacy of the mining industry and mineworkers.

One obvious example for me is the continued importance that the communities I serve place on sports clubs. I am deeply humbled to serve as the honorary vice-president of Ammanford rugby club and Penygroes rugby club. It is a tradition for me to wear the ties of local sporting clubs in this House. Today I am wearing the tie of Ystradgynlais rugby club. Although that is outside my constituency, in Powys, the eagle-eyed will have noticed that the Ystradgynlais crest features a miner's lamp.

Our debt today for the incredible communities that we are lucky to live in in my part of the world lies with the mineworkers of the past. The conditions that they worked in were terrible, causing long-term health damage for thousands. The least that they deserve for their contribution is dignity, but successive Westminster Governments, both blue and red, have let them down. Twenty-five years of injustice have been inflicted on them, while the miners—the people who produced the wealth in the first place—are receiving as little as £10 a week from the scheme. As we have heard in today's debate, the average pay-out is only £84. As we know too, at least £4.4 billion has been siphoned off by the Treasury.

Douglas Chapman (Dunfermline and West Fife) (SNP): The time that the Fife miners spent working in the pits has obviously had a greatly detrimental effect on their health. Is it not time that we had an immediate review? Time is of the essence and this is a wrong that we need to put right now.

Jonathan Edwards: My hon. Friend makes a vital point. I suppose my question for the British Government this evening is this. If they are so confident of their case, what do they have to lose by agreeing to an independent review?

The 50-50 surplus arrangement has served the British Government extremely well. As we have heard, it was negotiated during the privatisation of the industry in 1994 by the then Conservative UK Government. There was a review by the Labour Government in 2003, but they decided against any adjustments. The Treasury argued that the guarantee arrangement enables the trustees of the scheme to authorise riskier investment strategies, enabling greater returns for the mineworkers' pension scheme which are then passed on to pensioners, as well as, of course, to the Treasury. Nobody is disputing the importance of the guarantee or the logic of that argument. The question at hand is whether the British Government should be receiving such enormous sums for their role as the guarantor. Considering the secure nature of the MPS, it seems clear to me that the British Government cannot justify their current claim on the generated surpluses.

I have to tell those on the Treasury Bench that the general feeling out there in mining communities is that this is the latest in a long line of injustices perpetrated by the British Government on the miners, their families and the coalfield communities. About 22,000 people in Wales are affected by this scandal. I was so proud to present the petition calling for an urgent review to Downing Street in March. If the Minister values the hard work of the miners who endured in terrible conditions and their invaluable role in shaping the coalfield communities we live in today, and considering the length of time since the last review, the British Government should accept the motion.

9.20 pm

Wayne David (Caerphilly) (Lab): I come from a mining family. Both of my grandfathers were coalminers. One worked in the Garw and Llynfi valleys and the so-called south crop, and the other worked in coalmines close by. Today, I represent a former mining constituency. My constituency contains the village of Senghenydd, which in 1913 saw the worst mining disaster in the whole of the British coalfield: 439 men and boys lost their lives in an absolutely horrific explosion. More recently, the collieries of Bedwas and Penallta closed immediately after the miners strike of 1984-85. They were two of the largest collieries in the whole of south Wales and the effect on the local area was devastating. What is more, no real attempt was made to provide alternative employment.

The legacy of coalmining in my area left two deep scars. The first is the issue of miners' compensation for dust. That issue loomed large during my first years in the House. After a long campaign and a hard fight, many former miners did receive the compensation they needed. Not all of them. There were surface workers who did not get any compensation, even though they suffered from dust. Nevertheless, it was a hard fight.

The second big issue is the mineworkers' pension scheme. As we have heard this evening, this has not been resolved. The essence of the problem is that the Government and the scheme's trustees came to an agreement to share the surplus of the scheme 50-50. Essentially, that was an arbitrary division. By 2000, it was clear that the scheme was not working as many people intended it to work. The Coalfield Communities Campaign argued at that time that it was too generous a split for the Government. It queried the actuarial advice, saying it was too cautious. Perhaps we have to cast doubt on the advice itself and whether proper advice of any kind was provided. It would be good, as has been called for, if we saw from the Government the advice received at the time.

A review did take place, but because of market instability it came to the conclusion that there should be no change. The result has been that the surplus has become a real surplus. It has escalated hugely, so that from 1994 to November 2018 we have seen a surplus going to the Government of £4.5 billion. That is a heck of a lot of money by any standards—a real windfall.

[Wayne David]

The Government have used the justification that much of the money is used to help former coalfield communities. I would make the point that that should not be the case, because money should be provided from other resources. I also have to question whether that money has in fact been used to help those former communities. What is absolutely certain in my view is that that money should also be going to help former miners and their widows. That is where, morally, it ought to go, in total. That is why we need a commitment to a fundamental review, the objective of which should be that the full benefit of the pension scheme should go to the miners and their widows. In short, we are asking this evening that the miners should, at long last, have justice.

9.25 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): It is a pleasure to follow the hon. Member for Caerphilly (Wayne David) and there have been some excellent contributions tonight. I thank the Backbench Business Committee for bringing forward this important issue and I commend the hon. Member for Easington (Grahame Morris) for leading the debate. He gave an excellent speech, which illustrated the key issues at the outset, detailing his family mining history and giving the personal example that, sadly, his dad died before reaching pension age. He was correct to highlight the dramatic death rate: an average of 10,000 miners in receipt of their pension are dying a year. The death rate is rising, which means that the longer that this Government do not take any action, the more of a windfall that generates for the Treasury. That is why action is needed soon. He also highlighted the generally low pension rates that miners in the miners' pension scheme receive. As we heard, these are not huge sums of money. That money is still difficult to live on, and the example of somebody getting just £8.50 a week was really illustrative. Overall, his contribution was measured and well delivered.

We had 12 other contributions from Back Benchers, with cross-party agreement, which is really good. I pay testament to the work by and contribution from the hon. Member for Barnsley East (Stephanie Peacock), who unearthed the lack of actuarial advice back in 1994 and the unfairness in the fact that £1 billion spent in coalfield communities is well dwarfed by the £4.5 billion that the Government have taken out of the fund. As others have said, the hon. Member for Blaenau Gwent (Nick Smith) made an emotional contribution about the effect on his family. I have signed early-day motion 235 in support of changes to the 50-50 split and of the cross-party letter organised by the hon. Gentleman. Frankly, the Government response was really poor and it is good that that has been widely rebutted tonight. I come from a wider coalfield and coalmining area and I was proud as an MP to witness the unveiling of a new memorial to all the miners that were killed in Muirkirk and the surrounding villages. It is right that that goes down in lasting memory.

It has been a real disappointment that Governments of all colours have benefited from the 50:50 arrangement and that, to date, sadly, none have been willing to make any changes. In fact, if we look at the ministerial responses over the years, we see that they are actually all the same. It does not matter if it is a new Minister, a Tory Minister or a Labour Minister; they have all trotted out the same arguments, which appear to be the fact that the guarantee was welcomed at the time, that it reduces the risk on the miners' pension scheme, that it provides an RPI uplift on pensions and that it generates higher investment return. Those are moot points. Of course, the guarantee's existence is a good thing. However, given that the UK Government received a surplus of nearly £4.5 billion by 2018, the argument that a 50:50 split is still a fair risk and reward for the Government providing that guarantee has less and less credibility. That is further highlighted by the fact that the long-term success of the fund has not changed, despite recessions and stock market crashes along the way. As others have said, 25 years on, the risk has diminished greatly. It really does take a special type of blinkers from this Government to ignore any moral arguments on change. It is a fact that mining communities have suffered badly with the loss of coalmines, with guys left unemployed or seeking employment in poorer paid jobs. Others who have worked hard all their lives are now in poor health and widows are struggling to get by. No wonder it rankles that the UK Government are effectively still making money at their expense.

What Governments have also overlooked are the contributions holidays that were undertaken in the 1980s—money that otherwise could have been allocated for the benefit of mineworkers. Moreover, the reduced risk to the MPS resulting from the guarantee is welcome, but it is often overlooked that in 1994, during privatisation, adopting that model not only reduced the risk in the private sector but allowed the Government to get a higher return from the privatisation. Those are further things that need to be considered in the bigger picture.

Labour and Tory Ministers have long argued that the guarantee has allowed higher-risk, higher-value investments to be made and thereby resulted in returns higher than they would otherwise have been. This is correct, but the Government bandying around figures about a 33% increase is not helpful because they are based on assumptions that suit them. In addition, it is not just the fund that has grown; the UK Government's investment reserve also benefits from the success of the performance of the MPS. That has increased in value from £1.1 billion in 2014 to £1.5 billion in 2017, which has allowed the release of £475 million to the Government in the last financial year. These are huge sums of money the Government are benefitting from. Clearly, even if we change the 50-50 split, they will still make large sums of money.

Another Government line that has been attempted over the years is that MPS trustees are happy with the current arrangements, but that is patently untrue, as the hon. Member for Easington highlighted. The trustees have written to Governments in the past, but they say that they still will not engage and make the changes, so that is another dead duck from the Government.

We need clarity about what the UK Government hope to achieve. The Minister for Energy and Clean Growth has asked her officials to explore the trustees' options for revising the scheme, so what are the Government's aims and ideas? What progress has been made in the year since she asked that this happen? Critically, what does she mean by her comment that the revisions have to be to the "benefit of all parties"? It is clearly impossible to do the right thing by changing the share percentages without there being a financial detriment

to the Treasury. That sting in the tail looks like an in-built wrecking mechanism. We need to know what she means.

I pay tribute to the Coalfield Communities Campaign for lobbing the Government and for calling this the miners' money. In 1999, it highlighted that the average pension was then just £38 per week; today, it is about £65 per week, although some figures say it is £85. This is critical considering the benefits that would accrue if we altered the split percentages. It also shows that, although the pensions have grown with the higher investment return, the miners are not exactly living in the lap of luxury, so that is another false start in talking about percentage increases.

In 2002-03, the campaign by the Coalfield Communities Campaign led to a proposal that the split change to an 85:15 split, but the then Minister, Brian Wilson, dismissed this as

"off the radar screen in current circumstances"—[*Official Report,* 10 June 2003; Vol. 406, c. 186WH.]

When will someone in government be brave enough to suggest what could be considered and what they would consider fair?

As I have said, the Government have benefited to the tune of £4.5 billion to date. They have not been slow to reduce tax thresholds for those earning the most money or to introduce corporation tax reductions for the largest multinational companies. These measures, along with those on inheritance tax and other things, are projected to cost the Treasury £80 billion, according to figures from the Library based on previous Red Book projections by the UK Government. Surely, then, now is the time to do the right thing for the benefit of the remaining 158,000 members of the MPS, carry out the review and get a fair and equitable split, rather than this 50-50 split.

9.33 pm

Dr Alan Whitehead (Southampton, Test) (Lab): We have had a tremendous debate, which has combined passion, eloquence and reasonableness. Most importantly, not a single Member has put forward an iota of defence for the situation in which we currently find ourselves; indeed, support for the idea that that there must be justice has come from some of the most unlikely sources in the House. However, the subject of the debate saddens me considerably.

I congratulate my hon. Friend the Member for Easington (Grahame Morris) on securing the debate. No doubt, he shares my sadness about the fact that—as we heard from my hon. Friend the Member for Bishop Auckland (Helen Goodman)—the Government have taken £4,438,000,000 out of the miners' pension fund since 1994, while miners and their wives and families are receiving an average of just £84 a week. The juxtaposition of those two figures takes the breath away. It simply cannot be right.

As we were reminded by my hon. Friend the Member for Bolsover (Mr Skinner), the pension fund did not come about until fairly late in the day. For many years, miners had no pensions. A scheme was set up to give them some reward, albeit not an enormous reward, for their life of service. As we heard from my hon. Friend the Member for Easington, they worked throughout their lives in the dark so that we could have light, and sacrificed their health and their futures to keep this country going through the worst of times so that we could all continue to have light, health and wellbeing—and this is their reward for their life of service to this country: to have pensions as small as those. I cannot imagine the hurt that must be caused to the miners who see their meagre pensions coming in while the Government walk away, for nothing, with huge sums year after year.

My hon. Friend the Member for Ashfield (Gloria De Piero) spoke of a bonanza and a cash cow. I would add the word "plunder". The Government are simply plundering the money that should be there for the miners and their families in the future. As my right hon. Friend the Member for Doncaster North (Edward Miliband) said in his eloquent contribution, there was no actuarial basis for the original split, and there was an arbitrary change in the split that was there before the fund was closed and came into being as it is today. It turned out that the Government had not contributed any money to the fund up to the time of privatisation, and they have continued not to contribute any money to this day.

The Government say, "The pensions are better than they might have been had the fund not worked well." However, the only changes that have come about are bonuses as a result of the 50% on the miners' side, not the 50% coming to the Government. The Government have sat back and taken the money year after year, and continue to do so. That plunder goes on. The investment reserve that was set up at the same time as the fund obtaining the 50-50 from the surplus has paid out £475 million in the last year alone, again on the basis of no risk. We should ask ourselves whether this should continue. Because of an original risk that was said to have been taken in relation to a guarantee in 1994, regardless of circumstances that arose subsequently, the plunder continues unabated. That is an injustice, and it needs to be dealt with urgently, because, as my hon. Friend the Member for Easington said and my hon. Friend the Member for Blaenau Gwent (Nick Smith) reminded us, the membership of this fund is declining rapidly year by year: 280,000 members in 2008, but 158,000 members now, with 138,000 being paid and a small number having deferred.

As my hon. Friend the Member for Blaenau Gwent pointed out, 6,500 miners passed away last year, and it is estimated that over the next 10 years that fund will be down by another 50,000 members. That means hundreds of thousands of miners will have lived their lives with pensions grossly inadequate for the service they provided, watching the plunder go on before their eyes and passing away before anything can be done about it. We in this House surely cannot accept that we are going to stand by and allow another 50,000—another 80,000, another 100,000—miners and their families see that injustice continue. It is imperative that we do something urgently.

In response to a written parliamentary question, the Minister for Energy and Clean Growth stated in July 2018 that she had

"asked BEIS officials to work with the Trustees to explore options for revising the scheme to",

as the hon. Member for Kilmarnock and Loudoun (Alan Brown) pointed out,

"the benefit of all parties."

I cannot conceive what further benefit it would be possibly justifiable to give to the Government after all this money has gone out over these years.

Andrew Bridgen: I have done a quick calculation: if it is correct that there are currently 158,000 beneficiaries and the surplus taken of the Government share of the fund is about £4.45 billion, that is over £28,000 for every surviving beneficiary that the Government have already taken from that fund.

Dr Whitehead: The hon. Gentleman makes a powerful point—possibly with the aid of his calculator—that I had not put forward this evening, and it shows the scale of this injustice. He is right to state that on the Floor of the House for us all to hear.

The Minister for Energy and Clean Growth stated that she had

"asked BEIS officials to work with the Trustees to explore options for revising the scheme to the benefit of all parties."

I think not; it needs to be to the benefit of one particular party to the scheme. If she was correct in stating that she had asked BEIS officials to work with trustees to explore options for revising the scheme, where are the changes? What has happened? My understanding is that nothing has happened—there have been no talks and there has been no action—and that all this is actually a few warm, or lukewarm, words about possible changes to the scheme when nothing is under way.

My expectation this evening is that the Minister will stand up and tell us two things. First, I want him to say that talks are going on to revise the scheme for the benefit not of all parties but of the mineworkers and that in fact I am wrong in saying that nothing has happened. I want him to say that something is happening. Secondly, I want him to agree that there should be not only talks to revise the scheme but a promise this evening that fundamental action will be taken now to change the amount of split that there is in the scheme and an acknowledgement that the risk to the Government is effectively nil and that they have effectively ridden freely on the backs of the miners for many years. I want the Minister to say, "This has to stop now and we are committed to making sure there will be justice for the miners in the future."

I am confident, on the basis of this evening's contribution, that that is what the Minister will say now, even if he was not thinking of saying it before, but I do hope that he had that in his mind before the debate began, because, given the eloquence, passion and support from all in the House this evening, that is the least he should do at the end of this debate.

9.45 pm

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Andrew Stephenson): I would like to start by paying tribute to all hon. and right hon. Members who have contributed to today's debate, and to the many emotional and passionate speeches reflecting the importance of this issue. This is a question about real people and their incomes. It is about real people who have done some of the hardest work in our country, and about the respect and loyalty owed to them by their Government.

This subject is really important to me because, like many of those who have spoken today, I have a strong family connection. My family worked in the pits in the north-east for generations. My grandfather, George Stephenson worked at the Windlestone colliery in County Durham, following in the footsteps of his father, John. My uncle Bert worked at the Dean and Chapter colliery and then at the Mainsforth colliery. My great aunt Daisy and great uncle Tom spent most of their working lives at the National Coal Board in Team Valley in Gateshead. I grew up with stories of hard work, tough times, soot black baths and three pints after a hard day's work because you could not taste the first through all the coal dust.

The Whips are rarely mentioned in this place, but the Business, Energy and Industrial Strategy Whip, the Lord Commissioner of Her Majesty's Treasury, my hon. Friend the Member for Castle Point (Rebecca Harris), is on the Front Bench this evening. Her grandfather worked in the mines and her great-grandfather was in charge of the pit ponies at Boldon colliery in County Durham, so we both have strong links with the mining industry. I know that the same goes for one of my predecessors in this role, the Minister for Energy and Clean Growth, my right hon. Friend the Member for Devizes (Claire Perry). Her connections to mining communities were so strong that she had to pass responsibility for their pensions over to me.

Stephanie Peacock: The Minister refers to his predecessor. In my Adjournment debate back in February, she agreed to a meeting with me, coalfield MPs and the trustees, but unfortunately, despite several emails, that meeting never happened. Will the Minister commit today to a meeting with us?

Andrew Stephenson: I am always happy to meet anybody, and I am more than happy to meet people who have asked for meetings today. I believe that my predecessor, my hon. Friend the Member for Watford (Richard Harrington), who took on responsibility from my right hon. Friend the Member for Devizes, did have a meeting, but I am always happy to have further meetings on this topic or any other.

I was just going to clarify that the connections of my right hon. Friend the Member for Devizes were so strong that she had to pass over her responsibility for this topic. Her mother-in-law is a beneficiary of the scheme that we are discussing today. Her mother-in-law's late husband, Bill O'Neill, was a leader of the coke workers union and I understand that he died very young as a result of his years of service underground. At the age of 16, my right hon. Friend's husband turned down a job in the Keresley pit, but that did not stop him helping to organise port blockades to prevent Polish imports while he was a student, and getting into trouble with his university to protect—in his view—British coal. It is because we appreciate the importance of fairness to mining communities that my right hon. Friend the Member for Devizes, when she was in post, dedicated a considerable amount of time to this issue and instructed officials to do the same. She spent time understanding the arguments and concerns of all sides, thinking and talking through alternative proposals and weighing up the merits of the cases presented.

It has been four months since the last Adjournment debate on this matter. Since then, my right hon. Friend the Minister for Energy and Clean Growth has met the scheme's trustees, and my predecessor as business and industry Minister, my hon. Friend the Member for Watford, has met campaigners and coalfield MPs. Officials have also met the scheme's trustees. For my part, even

though I have been in post for only two months, I have taken an interest in this debate not just because of my family background, but because a number of the right hon. and hon. Members who have spoken today have collared me in the corridors since my appointment.

I have reviewed the trustees' proposals, which my officials have been considering for some time, and I wrote to Her Majesty's Treasury last week giving them my full support. I will be meeting the chair of the trustees, Chris Cheetham, on 24 June. Central to the trustees' proposals is protecting existing bonuses. Under that option, if there is a deficit in the future, members will still see their guaranteed pensions continue to rise in line with RPI, and their current bonuses will not be eroded. Without that additional guarantee, members may not be able to get any increase in payment, possibly for many years. The proposals put to my predecessor by the trustees offer benefits to all pensioners, who will see their pensions secured into the future, even if the scheme was to go into deficit, by protecting the bonuses that have accrued to date. The trustees, who include former miners, believe that that is an important way of protecting future revenues for scheme members in the event of a future scheme deficit, because bonuses accrued at past evaluations could be eroded.

The trustees' proposals would mean a significant additional liability for the Government. In turn, that creates an additional risk of a sizeable call on the public purse. However, I support the trustees' aim to protect the revenues of individual pensioners. My officials have provided an analysis of the proposals, which I have now shared with Treasury colleagues. As I have said, I am dedicated to the best for miners across the country, which is why I am immensely proud of the scheme and of the investments that we are making to transform mining communities across the country.

Ian Lavery: I agree that this has been a fantastic debate, with everyone who participated believing that justice should be done for the mineworkers. Will the Minister say whether the trustees' proposals include a review of the 50-50 split?

Andrew Stephenson: They do not. There are six proposals, which I have written to the Treasury about, and the trustees felt that protecting existing bonuses earned is more important than a review of the 50-50 split at this time.

Edward Miliband: The motion states:

"That this House calls on the Government to carry out a review of the existing arrangements for the sharing of the surplus generated by the Mineworkers' Pension Scheme."

As I understand it, the Government will not vote against the motion, so will the Minister tell us what he is going to do after the motion passes, because it calls for precisely such a review?

Andrew Stephenson: As I just said, I will be meeting the trustees, and their proposals relate to six points, about which I have written to the Treasury to share my analysis.

Edward Miliband: But this House is about to pass a motion agreeing to a review, so the Government are going to have to do something about that. That is the point, and I think we would all be interested to know what the Minister intends to do.

Andrew Stephenson: I am setting out my Department's position. Whether a review is undertaken is a matter for the Treasury, and the Treasury's position was set out in a letter from the Chief Secretary to the Treasury to MPs on 14 May. That position has not changed. I am sure that the Chief Secretary to the Treasury and other colleagues in that Department will want to reflect on any motion passed by this House, but I am trying to update the House in response to the Opposition Front-Bench spokesman, who asked what the Government were doing about the proposals that had previously been under discussion—the proposals that have been brought forward by the scheme's trustees.

The proposals have been considered for several months. They are balanced, and I support them. With the support of my Department, I have formally written to the Treasury to say that we support the proposals, because the trustees have identified that protecting already accrued bonuses is more important than the 50-50 split.

Alan Brown: The Minister seems to be saying that the proposals being considered are from the trustees and they have not proposed any changes to the 50-50 split. Is it not the case that the trustees have said today that the Government are not willing to discuss a change to the 50-50 split? Is he saying that he thinks it is fair to maintain that 50-50 ratio?

Andrew Stephenson: The trustees have made it clear that protecting bonuses already accrued is their priority, rather than renegotiating a greater share of future surpluses. I have not met the trustees, and I have already given the House the date when I will be meeting them. I have seen the six proposals from the trustees, which have been considered by my predecessor and his predecessor, and I acted swiftly in my first two months in office to ensure that my Department supports those proposals and will write to the Treasury encouraging their adoption.

Stephanie Peacock: The trustees' proposals are important. However, speaking to that is a red herring and does not answer what this debate is about. Every single person who has spoken in this debate has talked about the 50-50 split. Will the Minister please get up and answer that point?

Andrew Stephenson: I certainly will. I think I have only two minutes left, and I was going to come on to exactly that point. I was addressing the question of what has been done to date.

I began by saying that we owe the miners loyalty and respect, which includes being honest. In this case, the honest answer is that the current position, whereby the Government guarantee arrangements and split the surpluses, is a fair settlement. It is reflected in the fact that successive Governments of all political persuasions have retained the split currently in place.

Helen Goodman: On a point of order, Mr Speaker. Surely the Government cannot ignore a motion passed by the whole House following a Backbench Business Committee debate.

Mr Speaker: The short answer is that that is not a point of order, but it is open to the Government to do that. Whether it is politically wise is another matter.

[Mr Speaker]

In the event that Members are disappointed, I feel sure they will trouble the Backbench Business Committee for further debates, which may continue ad infinitum. I am sure the Minister would not want to countenance such an unfortunate, even grisly, scenario.

Andrew Stephenson: Thank you, Mr Speaker. The guarantee gives recipients security because, of course, they know future outcomes can never be known. As referenced earlier, my right hon. Friend the Chief Secretary to the Treasury has responded to the letter from the hon. Member for Blaenau Gwent (Nick Smith), sent on behalf of a cross-party group, by saying that she will not be reviewing the current arrangements.

I believe that all of us here today are united by our commitment to fairness for our miners and mining communities. Although we may be divided on the best way to deliver that, I can assure the House that I will seek to agree changes to the scheme that benefit scheme members and protect taxpayers.

9.58 pm

Grahame Morris: We were doing so well in this debate, and I am heartened by the many contributions, especially from Conservative Members. I say that not to be mean-spirited but to acknowledge the contributions and the sympathy shown for the arguments that have been made, which I appreciate. I had hoped the Minister would be rather more positive in his approach to those contributions.

We have had brilliant contributions from the hon. Members for Mansfield (Ben Bradley), for Ayr, Carrick and Cumnock (Bill Grant), for Carmarthen East and Dinefwr (Jonathan Edwards) and for Kilmarnock and Loudoun (Alan Brown), from my right hon. Friend the Member for Doncaster North (Edward Miliband) and from my hon. Friends the Members for Ashfield (Gloria De Piero), for Barnsley East (Stephanie Peacock), for Blaenau Gwent (Nick Smith), for Midlothian (Danielle Rowley), for Merthyr Tydfil and Rhymney (Gerald Jones), for Leigh (Jo Platt) and for Bishop Auckland (Helen Goodman).

We have also had notable interventions—too many to list—including from the youngest working miner to come into Parliament, my hon. Friend the Member for Wansbeck (Ian Lavery), and from my inimitable hon. Friend the Member for Bolsover (Mr Skinner). We have had some terrific interventions, including from the hon. Members for North West Leicestershire (Andrew Bridgen) and for Glasgow South West (Chris Stephens) and from my hon. Friend the Member for Hartlepool (Mike Hill) and a number of others.

Justice knows no age and, irrespective of the ages of the Members of Parliament debating this issue, I think we can recognise the injustice that the miners, their widows and beneficiaries are suffering. The Treasury forecast was that it would receive, at best, £2 billion, but it has received more than £4.4 billion and there is an ongoing commitment.

The motion, which I hope the House will agree, instructs the Government to conduct a review of the existing surplus sharing arrangements. My understanding is that the trustees want to do that, too.

Question put and agreed to.

Resolved,

That this House calls on the Government to carry out a review of the existing arrangements for the sharing of the surplus generated by the Mineworkers' Pension Scheme.

Edward Miliband: On a point of order, Mr Speaker. Thanks to my hon. Friend the Member for Easington (Grahame Morris) having secured this debate, the House has now passed a motion stating:

"That this House calls on the Government to carry out a review of the existing arrangements for the sharing of the surplus generated by the Mineworkers' Pension Scheme."

I wonder whether you could give us some guidance, Mr Speaker. With the House having passed, without opposition and for the first time in 25 years of this scheme's operation, this very important motion, can we use your good offices to persuade the Government to carry out the will of the House? It was very open to the Government to divide the House on this motion, but they choose not to do so, which must mean that they agree with it. Presumably, that means they are going to do something about it, if this House's deliberations and possible votes are to be meaningful.

Mr Speaker: The right hon. Gentleman is a natural optimist, and I say that in no pejorative spirit. I am sad to have to advise him and the House of the correct procedural position. I am not making any evaluative judgment; I am simply making a statement of what is. The situation is that the only votes that bind in this place are votes on legislation and votes on taxation. This vote does not bind. It is an expression of the will of the House. I am sorry to say that there have been many occasions on which Backbench Business Committee debate motions have been passed but have not been implemented subsequently by the Government. I rather fancy that this matter will be returned to again and again and again if Members feel that the settled will of the House has not been honoured in practice. I will also add that a situation in which the settled will of the House is not then honoured in practice is bad for Parliament—period.

Business without Debate

TREASURY COMMITTEE

Ordered,

That Stewart Hosie be discharged from the Treasury Committee and Alison Thewliss be added.—*(Bill Wiggin, on behalf of the Selection Committee.)*

UK Foreign Policy: China and Hong Kong

Motion made, and Question proposed, That this House do now adjourn.—*(Jo Churchill.)*

10.2 pm

Mr Alistair Carmichael (Orkney and Shetland) (LD): I am delighted to have the opportunity to bring this matter to the House for what has turned out to be a more topical debate than we had realised at the point when I was successful in obtaining it. I do not want to detain the House unnecessarily, but it is worth reminding ourselves about the particular, special legal and moral obligations that we in the United Kingdom have towards Hong Kong and its people. I will précis those briefly, and I do that not to insult the intelligence of the House, which will be well acquainted with them, as will those who are following our proceedings, but because it is sadly no longer universally accepted that these legal obligations subsist. The message should go from this Chamber that we in this House are very much of the view that they are continuing and subsisting legal obligations.

The Sino-British joint declaration enshrines the principle of one country, two systems. That was intended to guarantee a 50-year period, from the ending of colonial rule in 1997 to 2047, when the way of life of the people of Hong Kong would not change. As the Minister himself said today, it is a legally binding treaty which is registered with the United Nations and continues to be in force. The sad truth is that we in the United Kingdom have not always been as vigorous as we ought to be in the fulfilling of our obligations, legal or moral, towards the people of Hong Kong. For a second, I should pause to reflect on what view on this matter would be taken by the late Lord Ashdown, a man who was a doughty fighter in the cause for the people of Hong Kong.

As I was going over my notes in anticipation of tonight's debate, an email dropped into my inbox. It does not come from a constituent so I shall not name the sender—in fact, it is addressed to another Member—but it highlights and articulates very well sentiments that I have seen expressed by many others in a similar position. The author writes:

"Before this Bill was tabled, as a BN(O)"—

British national overseas passport—

"holder residing in the UK and planning to naturalise in the near future, I thought I could go back to the country of my birth to see my family, especially my old parents. Once this Bill is passed, which the HKSAR and Chinese governments fully intend to do, I fear that I will not be able to visit my natal land and return to Britain because I took part in the Umbrella Revolution in 2014 and because of my active involvement in activist work in the past."

He goes on to say:

"The handover has been done, and I fully understand that Her Majesty's government does not have the power to undo this mistake. At the very least, the British government should start considering the possibility of rectifying the status of BN(O) holders—we are British subjects who are treated worse than any British subjects and other non-British nationals."

He continues:

"I would like to share my personal experiences in this regard, if I may: The number of times I made myself clear to the immigration officers at Heathrow airport that I am British, the attitude I received from these officers was universally humiliating and soul-destroying. I was born British, and my British status was stripped away from me and my fate was left in the hands of a notoriously authoritarian regime, the PRC"—

the People's Republic of China. That is the very human cost and the very human face of the matter that I bring to the House this evening.

Of course, this is not the first time that we have dealt with this issue today, and I am grateful to you, Mr Speaker, for granting to the hon. Member for Hornsey and Wood Green (Catherine West) the urgent question on the extradition arrangements that are up for amendment. At the end of his comments to the House earlier this afternoon, the Minister said in relation to this debate that he would want to speak

"more generally later about the relations between the UK, Hong Kong and China."

I confess that that was very much what I had anticipated this debate would be about.

Sir Geoffrey Clifton-Brown (The Cotswolds) (Con): Does the right hon. Gentleman agree that China is a member of the UN P5 and of the World Trade Organisation and therefore does believe in an international rules-based system? Hong Kong has one of the strongest independent legal systems in the world and the extradition Bill is described as one of the worst threats to that legal system of any Bill introduced so far. As such, the Chinese Government would do well to heed the large number of protestors on the streets in the past few hours.

Mr Carmichael: I differ from the hon. Gentleman only in the smallest grammatical sense, in that as a member of all those various international bodies, the Chinese Government ought to believe in, adhere to and demonstrate respect for international law. In this particular care, they are manifestly failing to do that.

Jim Shannon (Strangford) (DUP): The one country, two systems agreement between China and Britain is under threat. Does the right hon. Gentleman agree that the real need to balance our global human rights obligations with the need to secure a trade deal does not mean that we forget those obligations? Furthermore, does he agree that we can attempt to use our influence and trade to seek the better understanding of acceptable human rights standards throughout the world, and that the two can and must go hand in hand?

Mr Carmichael: I absolutely agree with that. I am a strong advocate of human rights and often preach the gospel of their universality, but I am not starry-eyed about it, especially when it comes to working with countries that do not reach or have not yet reached the standards that we adhere to in this country. I will always engage with countries where I think there is an opportunity for improvement, but we have to see that improvement. As far as the People's Republic of China is concerned, we are not seeing an improvement. In fact, if anything, we are going backwards: I think of the treatment of the Uyghur Muslims in the Xinjiang province; I think of the treatment of the people of Tibet; and I think of the treatment of religious minorities right across the People's Republic of China and of the people of Hong Kong.

As I have said, I had anticipated that our debate tonight would rehearse a number of the areas that we have spoken about in the past. I was thinking about the treatment of the Umbrella Movement protesters; the closure of political parties; the expulsion of the *Financial Times* journalist, Victor Mallet; the creation of the new offence of insulting China's national anthem without any effort

[Mr Carmichael]

to define what that insult might be and how it would be constituted; and the abduction of booksellers. In fact, when we consider all these things, it is impossible now, especially given the demonstration of support that we saw in Hong Kong at the weekend, to consider any of these things without considering the position in relation to the extradition arrangements and the Bill, which is currently coming towards the Legislative Council. These issues all tie in to this question of extradition.

You spoke earlier, Mr Speaker, about our mutual friend Benedict Rogers. In fact, in preparing for my debate tonight, I had recourse to an opinion piece that he had recently published. I want to read just a bit of it for the benefit of the House, because it illustrates perfectly how the position of the booksellers in particular and the other causes that I have mentioned all tie into this question of the extradition legislation. He wrote:

"'If the extradition law is passed, it is a death sentence for Hong Kong,' said Lam Wing-kee in a crowded coffee shop in Taipei. 'Beijing will use this law to control Hong Kong completely. Freedom of speech will be lost. In the past, the regime kidnapped its critics like me illegally. With this law, they will abduct their critics legally.'

Yet Lam Wing-kee, 63, knows from first-hand experience what the consequences of this change to the extradition law could be, and how the Chinese Communist party behaves. On 24 October 2015, Lam, who managed a bookshop and publishing business in Causeway Bay that sold books critical of China's leadership, was arrested as he crossed the border into mainland China in Shenzhen. There then followed an eight-month nightmare in which he was first imprisoned in Ningbo and then moved to Shaoguan, a small mountain town in Guangdong province where he was assigned to work in a library—better off than in prison, but still not free and completely cut off from the outside world.

'I was not physically tortured, but mentally I was threatened and subjected to brainwashing,' he said.

When he was first arrested, Lam was forced to sign two statements: surrendering his right to inform his family of his whereabouts and his right to a lawyer. Over the eight months he was held in China, he was forced to write confessions more than 20 times. Several times he was filmed, with an interrogator behind him whom he could not see, and these were then broadcast on national television—one of many forced televised confessions that have become a feature of Xi Jinping's regime.

'I didn't write what they wanted me to write, they would write it for me,' Lam said. 'If my confession was not satisfactory, they would tell me what to write.'"

That is the reality of the criminal justice system to which we now countenance, or see Hong Kong countenancing, returning people from Hong Kong. That is exactly why it was decided, back at the time of the creation of the joint declaration, that matters such as this should be excluded from it, and that surely is why it is now wrong that we should sit back and just watch the People's Republic of China ride roughshod over that agreement and the legal obligations into which it entered in 1984.

This afternoon, I was privileged to speak by telephone to Dennis Kwok from the Hong Kong Legislative Council, and he said to me that the Second Reading of this Bill will be on Wednesday—the Minister knows that. He accepts that the remaining stages will be done over the course of possibly the next two weeks at most. When I asked the Minister today what that would mean for the consultation to which our Government aspired, he declined to answer—unsurprisingly, perhaps—so let me ask him again. If the Hong Kong Executive go down this road and the Bill passes all its stages by, say, a week or a fortnight on Wednesday, what is the Government's position going to be? How on earth will they possibly get the wider, longer, more meaningful consultation on which they have pinned so many hopes thus far? I just do not see it happening.

If the Minister will not answer that question, will he at least give the House some assurance that there is a plan B, that we are taking steps and that the message is going to the Chinese Government now that if that situation comes to pass, our Government will not just sit by and watch this tragedy—that is exactly what it would be—unfolding? Our Government need to do more. We need to assert the rights of the people of Hong Kong that we undertook to guarantee when we left in 1997.

Sarah Champion (Rotherham) (Lab): I really appreciate the fact that we are having this debate because it is a pressing issue, as I know the Minister is aware. I wonder whether the right hon. Gentleman agrees with me on two points. First, does he agree that we have a duty of care to the people of Hong Kong until 2047? Secondly—this is a very selfish concern, but I wonder if the Minister also shares it—does he agree that we have extradition treaties with Hong Kong, so it is possible that we could extradite someone for a fair trial in Hong Kong but that they could end up being tried in China?

Mr Carmichael: That is absolutely the case. I hope that our Government would take assurances that that would not happen if they were to extradite anyone to Hong Kong. But, frankly, if the Government of Hong Kong are able to disregard the joint declaration in the way that they do, I am afraid that I do not set any great store by their willingness to abide by the assurances of the sort that we might expect in the normal course of things. It comes back to the point about adherence to and respect for the international rule of law and a rules-based order system.

There is a great deal more that I could say, but I know that the hon. Member for Gloucester (Richard Graham) wants to speak for a couple of minutes and I am keen to ensure that the Minister has every opportunity to give the fullest explanation of the Government's position, especially given the number of hon. Members who have stayed behind for this debate.

10.17 pm

Richard Graham (Gloucester) (Con): I am grateful to the right hon. Member for Orkney and Shetland (Mr Carmichael) for calling this debate and for allowing me to speak very briefly in it.

Among other things, the agreed one country, two systems approach recognised the difference between the practice of common law in Hong Kong, and the rule of law under the control and guidance of the Communist party of China on the mainland. That is why there is currently no extradition treaty between Hong Kong or any common law jurisdiction and China. If the argument, therefore, is that things have changed, it is surely for the Hong Kong Government and Chief Executive—whose responsibility, as she reminded us this week, is to the people of Hong Kong—to make that case. The Foreign Office has, therefore, rightly expressed concern about the proposed changes. It said that they must be subject to the "highest levels of scrutiny" and called for time for "proper consideration of all alternative options and safeguards."

In practice, as the right hon. Gentleman has explained, the legislation could be pushed through in a fortnight, while several hundred thousand protesters may demonstrate again that their views are not being fully considered.

The irony is that this issue arose over the absence of an extradition treaty with Taiwan, and Taiwan Ministers have said that this proposal will not solve the required extradition of the man from Hong Kong who is currently in Taiwan. Therefore, what was urgent is not going to be resolved, what was not urgent is being rushed through, and what is at risk is the confidence of business and the freedoms of speech that have made Hong Kong so successful and its financial markets so important. When the UK, the EU, Canada and the US—all great supporters of Hong Kong—are concerned, Hong Kong should worry that its exemption from the US-China trade wars may not continue unchallenged. I therefore urge the Minister to talk directly with Hong Kong's Chief Executive, Carrie Lam, who is well known to us all, and to urge her to reconsider the Government's approach to this business.

Fiona Bruce (Congleton) (Con): My hon. Friend refers to business in Hong Kong. Does he agree that, if the new extradition treaty goes through, Hong Kong's reputation as a safe place to do business could be seriously undermined to the point that major international businesses may consider relocating their bases in other jurisdictions? Is that not a concern that we should be addressing?

Richard Graham: It is certainly true that the British chamber of commerce in Hong Kong has privately expressed considerable concern over the proposals, and the American chamber has been more outspoken still—so, yes, there are concerns.

10.19 pm

The Minister for Asia and the Pacific (Mark Field): I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for initiating this debate and for continually highlighting developments in Hong Kong. I also express my gratitude for the contributions and sincere interest—perhaps silent interest in some cases—expressed by a number of hon. Members here, particularly my hon. Friend the Member for Gloucester (Richard Graham). Clarifying with the Hong Kong Government what these proposals will mean is clearly something that I intend to do in very quick order.

This was billed as a slightly more general debate, and given that we had an urgent question earlier, I do not wish to spend this time entirely by simply covering the same old ground, important though that ground is, but let me start with a few words about the UK's relationship with China. We believe that we have a constructive relationship based on a strong economic partnership but also our position as leading nations of the world. The UK and China are both, of course, P5 nations of the United Nations. Trade and investment links are at record levels, and people-to-people links, particularly among Chinese students—the largest single cohort in the UK—are thriving.

The UK's approach to China is pragmatic. It maximises the benefits of co-operation while doing its best to protect our national security. As G20 members with seats on the UN Security Council, the UK and China can do more than most to address a range of global challenges. From medical research to sustainable development, we have co-operated, and will continue to do so, for our mutual benefit in ways that support global prosperity, security and stability.

Of course, this partnership has its challenges. China's growing influence is putting pressure on the global rules-based system, and we regularly express our very real concerns about issues, including its stance on human rights, its respect for certain international agreements and its failure fully to protect intellectual property. But we work with China where doing so is in line with our values and protects our national interests, including the security of our people and businesses. We are clear and direct where we believe that China's actions are incompatible with those values.

The UK Government are acutely and continually aware of our historical responsibility towards Hong Kong, specifically as one of the joint signatories of the 1984 joint declaration that established the principle of one country, two systems. That joint declaration is a legally binding treaty registered, as I said, with the UN. Its objectives clearly apply to both signatories—the Government of the People's Republic of China and the UK. It remains in force and remains relevant to the conduct of life in Hong Kong. We are absolutely committed to ensuring that it remains faithfully implemented for the period up to 2047, as the hon. Member for Rotherham (Sarah Champion) rightly mentioned.

The one country, two systems principle provides Hong Kong with the foundations for success as a truly global financial centre and prosperous world city, as touched on by my hon. Friend the Member for Congleton (Fiona Bruce). It safeguards Hong Kong's capitalist economic system, its high degree of autonomy, its system of common law, its independent judiciary, and the rights and freedoms of its people and those who are lawfully residing there. However, as the Government's most recent six-monthly reports have made clear, we believe that important areas of the one country, two systems framework are coming under increasing pressure. I take this opportunity to reassure the House that we engage in an ongoing and frank dialogue—a sometimes private, but frank dialogue—with the Chinese and Hong Kong authorities about the implementation of the joint declaration.

Turning to our relationship with the Hong Kong Government, I want to stress that we have warm, constructive and positive links across a wide range of other issues. As an example, just last month, I joined the start of the inaugural UK-Hong Kong Government-to-Government financial dialogue, led on our side by the Economic Secretary to the Treasury. This involved the two Governments discussing co-operation between our globally leading financial services centres, building on rich industry-to-industry links. I welcome the decision for the UK to be the partner country for Hong Kong's Business of Design Week this year. It is the largest design festival in Asia and it is our pleasure to support Hong Kong in this area. It is also a great opportunity to showcase the global reputation of the UK's creative sector.

It is also right that we take the opportunity to turn our minds collectively to the ramifications of the Hong Kong Government's contentious proposals to change their extradition laws, following a highly publicised homicide in Taiwan, allegedly carried out by a Hong Kong national. Civil society groups, including organisations

[Mark Field]

that represent legal professionals and businessfolk in Hong Kong, have aired deep concerns about both the content of the proposals and the short consultation period. They fear above all that Hong Kong nationals and residents risk being pulled into China's legal system, which can, as the right hon. Member for Orkney and Shetland pointed out, involve lengthy pre-trial detentions, televised confessions and an absence of many of the judicial safeguards that we see in Hong Kong.

Mr Carmichael: The element of the two systems arrangements that I think most people consider most important is the existence of an independent judiciary in Hong Kong. That is why, when people hear about so-called concessions being made on human rights protections, they insist that those protections are written into law, because they are then judicially enforceable. Is the Minister prepared to take that message back to the Executive?

Mark Field: Absolutely, and I entirely endorse what the right hon. Gentleman says.

We note that the Hong Kong Government have tried to provide reassurance that no one will be transferred to China for political, religious or ethnic reasons and welcome their recent efforts to react to the unprecedented level of public concern—we understand that roughly one seventh of the population of Hong Kong was on the streets, peacefully during much of yesterday afternoon. However, we are clear that those reassurances and the changes proposed fail to address fully a number of core issues that we have raised.

We have been and will remain unequivocal about our concerns. The Foreign Secretary recently issued a joint statement with his Canadian counterpart, setting out our concerns about the potential impact of the proposals on the large number of UK and Canadian citizens in Hong Kong, on business confidence and on Hong Kong's international reputation, but of course it also applies to the many other non-Hong Kong nationals who are living and working on the island and the New Territories. The joint UK-Canadian statement noted that the proposals risk undermining the rights and freedoms set out in the joint declaration and are at odds with the spirit of one country, two systems.

Our consul general in Hong Kong, Andy Heyn, has made statements on this issue locally over recent months, including in a TV interview, where he set out our concerns. UK officials have had a number of conversations with the Hong Kong Government and other interested parties about the proposals at working, technical and senior levels. We have had full and detailed discussions with Chief Executive Carrie Lam, both bilaterally and as part of an EU démarche, and we will continue to have such discussions.

We have had a dialogue with a number of members of the Hong Kong Legislative Council and Executive Council. The issues we have raised include the potential implications for our bilateral extradition treaty with Hong Kong and the potential consequences for the UK business community and other British citizens living in Hong Kong. We have urged the Hong Kong Government to allow for a longer consultation period, given the fundamental importance of the issues raised. We believe that the proposals must undergo full and proper scrutiny, including in the Legislative Council, and I am as concerned as the right hon. Gentleman about the notion that they could be rushed through within the next fortnight or so.

I believe that Hong Kong's lawmakers and members of civil society have put forward a number of alternative solutions, including the additional human rights safeguards, which must now be included in the proposed legislation. We believe that proper consideration must be given to all those alternative solutions as part of a comprehensive, ongoing consultation.

Despite those concerns, we do not assess that the proposals in themselves breach the joint declaration, although we will clearly keep that in mind, as the treaty did not explicitly deal with extradition arrangements. Nevertheless, the proposals undoubtedly would reduce the separation between the justice systems in Hong Kong and on the mainland and, therefore, would provide a very worrying precedent.

As the House will be aware, the operation of the court system in mainland China is very different from the one that applies in Hong Kong. Voices from within Hong Kong and the wider international community have expressed concern that fear of extradition to China could cause a chilling effect on Hong Kong's rights and freedoms and, more insidiously, might result in increased self-censorship. Most recently, the Hong Kong chamber of commerce has called for wide-ranging protections in the legislation.

As Members have rightly pointed out, the rule of law is the absolute cornerstone of one country, two systems, and confidence in it is essential for sustaining and maintaining Hong Kong's reputation as a global financial and professional services hub. That has been made abundantly clear to me in my two visits to Hong Kong as a Minister. I am hoping obviously to visit the island at some point later this year for a third time. Ultimately, I believe it is imperative that any changes to the extradition arrangements from Hong Kong to mainland China respect Hong Kong's high degree of autonomy and will not impact on the rights and freedoms set down in the joint declaration.

It is now, as many of us will know, almost 22 years on from the handover of Hong Kong to China and the UK Government's commitment to the joint declaration remains as robust as ever. We do issue six-monthly reports and, in the two years I have been a Minister, we have expressed concern, at each and every six-monthly report, that there has been a diminution in the exercise of one country, two systems, at least as far as too many political rights are concerned. We are committed to playing a rightful part in helping Hong Kong to prosper to go forward. Where we identify risks to Hong Kong's continued success and autonomy, we will have no qualms in raising them. We shall continue to stress to the Chinese and Hong Kong authorities that, for confidence in that system to be maintained, Hong Kong must continue to enjoy a full measure of the high degree of autonomy and the rule of law as set out in the joint declaration.

I am grateful to all Members of the House, and particularly to the right hon. Gentleman, for the opportunity to state the Government's position on this very important issue.

Question put and agreed to.

10.32 pm

House adjourned.

Westminster Hall

Monday 10 June 2019

[Mr Adrian Bailey *in the Chair*]

Cystic Fibrosis Drugs: Orkambi

[Relevant documents: Oral evidence taken before the Health and Social Care Committee on 7 March, on the availability of Orkambi on the NHS, HC 1808; the correspondence to the Secretary of State reported to the House on 8 March; and the correspondence from NHS England, Vertex Pharmaceuticals and the National Institute for Health and Care Excellence reported to the House on 4 June.]

4.30 pm

Paul Scully (Sutton and Cheam) (Con): I beg to move,

That this House has considered e-petition 231602 relating to access to Orkambi and other drugs for people with cystic fibrosis.

It is a pleasure to serve under your chairmanship, Mr Bailey. I will read the petition, if I may:

"Children & young adults with CF endure lifelong suffering & early death. They need Orkambi and other precision medicines as they are developed. Sufferers in the EU, US & Australia can access the drugs, but not the UK. Hundreds have died in the 3 years since these drugs were licensed. All MPs who debated the petition in March were passionately in favour of supplying the drugs. Despite an ever-increasing abundance of evidence as to the drugs' effectiveness, CF sufferers still do not have access. Case studies report miraculous improvements in health. Consultants nationwide have asked the NHS to make the drugs available. Doctors have expressed distress at seeing children die whilst the drug they need is on the shelf. After 3 years, conclude negotiations and fund these drugs."

I pay tribute to Catherine Meredith, who started the petition, and the 108,144 people who had signed it as of this morning. Many hon. Members present are here because of their constituents and their long-lasting championing of cystic fibrosis treatment and the need to get these drugs to market as soon as possible.

Cystic fibrosis is a severe, devastating and progressive disease. It is a genetic disease, so we know the exact number of people living with it—70,000 around the world. It is considered by many to be a Celtic disease; the UK has 12% of all sufferers, which makes it an important place for research and an important market for pharmaceutical companies, such as Vertex, that have been working on treatment.

Alberto Costa (South Leicestershire) (Con): I congratulate my hon. Friend on securing a clearly important debate. If Orkambi were available on the NHS, my constituent Amelie-Rose Sullivan, who is only two years old, would be able to take that life-saving medicine. Having spoken with her family, I understand that she has needed antibiotics on five occasions, which involves a two-week course each time—a cost to the NHS. Antibiotics might not have been needed if she were taking Orkambi, which underlines the need for Orkambi to be available. Ultimately, it would be better value for the taxpayer and our constituents.

Paul Scully: My hon. Friend is absolutely right. Before I led a similar debate for the Petitions Committee roughly this time last year, I went to the Cystic Fibrosis Trust, as I did this morning, where I met and spoke to a lot of parents whose children are suffering, as he has mentioned. This morning, I met a number of adult sufferers, who I will speak further about in a minute. One of them, who is 43, described the disease—this is harsh, especially for any sufferers watching—as his lungs filling up and effectively drowning. That is pertinent to me, because my father died of mesothelioma 30 years ago, after a year of suffering. This man is 43; I cannot imagine that suffering. Early treatment for children, however, stops that build-up in the first place and allows them to keep their lung capacity higher for longer, so they can have a proper standard of living.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I suspect that my fellow Petitions Committee member shares my concern that families are being put in the terrible position of having not only to deal with a devastating illness and diagnosis, but fight for a treatment that they know is available and that other people across Europe and across the world are receiving. Whether it is cystic fibrosis, Batten disease or phenylketonuria, or PKU, it is wrong that families are wasting their precious energy, which they would like to channel into looking after their children, into fighting for a treatment that could solve many of those medical issues.

Paul Scully: I totally agree with the hon. Lady. It is frustrating to look at access around the world; there is even an interim solution in Scotland. It would be interesting to hear from the Minister about how that may pan out. Scotland has given interim access, including for compassionate use, and further access to some sufferers who can use Orkambi with a view to reporting back in August.

It is disappointing to find that people living with CF, in their ingenuity, have had to resort to looking at a buyers' club. The Vertex drug is patent pending in Argentina, so another company is making a copy that can be sourced for £18,000 a patient—still a lot of money—rather than £104,000. That £18,000 comes out of their pockets, however, which defeats the idea of the NHS being free at the point of need.

Mark Tami (Alyn and Deeside) (Lab): It is bad enough if a child is suffering with an illness for which there are no medicines to help, but it is incredibly cruel for the patient and the family when they know there is a drug that can help their child.

Paul Scully: There are clearly two sides to the negotiations. The NHS has to understand that CF sufferers are not just names on a spreadsheet; they are real people. We are all here as politicians to represent our constituents, but we are humans first and politicians second. We have to remember the humanity. On the other side of the negotiations, Vertex needs to make sure that these patients—the people living with CF—are not just names on a shareholder report.

John Spellar (Warley) (Lab): I thank the hon. Gentleman for his comprehensive introduction. The fundamental core of the problem is the greed of Vertex and its unreasonableness in the discussions. Should the Government not play a much stronger role in dealing with the issue of generics? That is the demand of those who are suffering, such as my constituent Nicola Johnson and

[John Spellar]

her son George, whose capacity is steadily reducing. The Government need to get a move on with that alternative route.

Paul Scully: The right hon. Gentleman is right to say that Vertex has to be reasonable, because the UK is effectively the biggest market for a pharma company that comes in to tackle CF, for the reasons that I have mentioned. It has to understand that the issue is not all about its share price in the long term. As a free-market liberal economist, I recognise that private companies must be allowed to deliver fair profits for their shareholders, which will further research and future investment, but they are sailing close to the wind if they are profiteering from human suffering.

Crispin Blunt (Reigate) (Con): I am grateful to my hon. Friend for leading the debate. I spoke in the previous debate on the subject in the main Chamber. It is right to focus on Orkambi and Vertex, but the issue is actually the process of the National Institute for Health and Care Excellence. If we cannot assess issues such as antimicrobial resistance and new antibiotics in the NICE system, or get a positive answer about them, we need to look at its assessment. I hope the Minister is open to that.

Paul Scully: My hon. Friend makes an interesting point. Clearly, a portfolio of drugs is coming through the system. The original drugs treated only 5% of cystic fibrosis sufferers, but now the figure is 50%. The triple therapy that is being researched can benefit up to 90%, and clinical trials show an increase of 10% in some people's lung capacity in a single week of using the drug. It is disappointing that Vertex has not included the triple therapy in its negotiations about the portfolio. None the less, my hon. Friend is right that the NICE system needs to be reviewed to take an interesting and innovative approach to drug research in future.

Sir Mike Penning (Hemel Hempstead) (Con): There are those who are listening to the debate but are not experts like the families who live with this every day, but lung transplants are a common procedure. The lungs fill up and do not function, and lung transplants are often the only option. How does NICE take that into consideration? It cannot do so when it is looking at the viability and cost-effectiveness of Orkambi.

Paul Scully: My right hon. Friend makes a really interesting observation. This morning I saw a number of people, some of whom have had a lung transplant. Orkambi was able to get them to the point where they could have a lung transplant in the first place. I spoke to most of the people via video link, because they could not be in the same room as me due to the risk of cross-infection and aspergillosis hitting their lungs. Aspergillus gets in our lungs, and most of us just bat it off and do not have an issue with it. However, it can adversely affect these people's lung functions, or even be fatal. That is how debilitating the disease is. What struck me about all this are the mental health issues behind it, which I will come back to later.

Janet Daby (Lewisham East) (Lab): I thank the hon. Gentleman for giving us such a comprehensive overview of cystic fibrosis. A constituent of mine, Joanne, has contacted me regarding her daughter Lauren, who suffers from cystic fibrosis. Access to treatments such as Orkambi, which has already been mentioned, would be absolutely crucial to managing hers and so many other people's conditions in our country. Hon. Members might know that 16 May marks a year since the Prime Minister called for a speedy resolution to this issue. Does the hon. Gentleman agree that we need to hear the actions that the Government can take, and are taking, to open up access to these lifesaving treatments for people such as Lauren in my constituency?

Paul Scully: One of the reasons why NICE was set up in the first place was to take politics out of drug development. We need to ensure that we have the balance right between the Government intervening and the clinicians—the people who can make their assessments without political interference—making their decision. None the less, we clearly must have a view.

One of the things that some people have suggested—I think it was intimated in an earlier intervention—is Crown use of patents, to allow the use of generic drugs and effectively remove patents from pharmaceutical companies. Obviously, that is in extremis. There is an inherent problem with the potential lack of investment in future research, should we start taking away patents from private companies.

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): The hon. Gentleman is making a very powerful speech, and I stand here today representing my constituents. Does he agree that when factoring in costs, NICE should also factor in the ongoing costs that not treating cystic fibrosis will bring? It needs to factor in the cost of the additional mental health treatment and other health treatments that will be needed, and possibly even the cost of lung transplants. This is not a simple comparison with the cost of treatment; other things need to be taken into account.

Paul Scully: The hon. Lady has hit on a really crucial point. The underlying thing that I took away from my meeting with the people living with CF this morning was mental health, which ran through all their situations.

I heard from Oli Rayner, who talked about the fact that he is 43 and has dedicated his whole life to staying alive; he had effectively been told that he would not make 10 years. He was then told that he would not make 20, then 30. This is a guy who has now got cystic fibrosis-related diabetes and a number of other conditions. He has had a lung transplant, and he had Orkambi to get him to that stage. The fact is that his lungs are now doing what he wants them to do, without his having to think about it. We can imagine the mental issues that he had before.

Jessica Jones told me that people with CF are very good at living. Yvonne Hughes said she felt broken. One lady, Carly Beale, told me that she had been on the original Orkambi trial. The NHS had not prepared her for when Orkambi stopped at the end of the trial. She had suddenly improved and started to get her life back—perhaps a life that she had not had in the first place—and she was not ready to have it taken away from her. She

said that it is almost worse that this drug exists but she cannot get access to it. She said, "I'd rather it didn't exist than have it dangled in front of me in expectation."

Kerry McCarthy (Bristol East) (Lab): I am really pleased that there is now cross-party working on this issue. Life expectancy is a very sensitive issue for cystic fibrosis patients and their parents. I am aware that Conservative MPs have been sending round a letter that points out—as if the letter's recipients ought to be grateful—that life expectancy for CF patients has now increased to 40, although I think it is more like 31. It seems a little insensitive, and I hope that MPs present would report that back.

Paul Scully: It is an unfortunate manner of phrasing. There is no doubt about the fact that median life expectancy has increased. For someone born now, the projection is that they are likely to have a median life expectancy of 47. It is clearly an improvement, and hopefully these drugs will carry on extending that. It is a matter of wording, and I do not think any offence was intended.

Andrew Griffiths (Burton) (Con): I think my hon. Friend will win this year's prize for taking the most interventions in a debate, such is the level of interest in this debate. I know the Minister will have taken note of the cross-party interest, and I hope that Vertex is also taking note of just how much interest there is among Members of Parliament.

I am here today because Elaine and Chris Colborne came to see about their three-year-old grandchildren, James and Alex. Although it is terrible for any parent—I am one myself—to see their child suffering, it is even worse for a grandparent in some respects. They see the little child suffering, and they also see the anguish of their child—the parent who on a day-by-day basis has to live with the consequences and the pain that comes from CF. This is a hugely important debate and we agree that it is not just about Orkambi; it is actually about the pipeline of other drugs that are coming through. Even if we were to solve the problem with Orkambi, we might be in a situation in which new drugs come forward in the future. We need to tackle the issue, not just this particular drug.

Paul Scully: My hon. Friend is absolutely right to say that we are looking at that pipeline, which is so important. That is why this process is different from the kind that NICE is used to. I hope that NICE can be accommodating enough to suit the pipeline, and that Vertex can come back with its triple therapy, which will help so many people.

Mr Ranil Jayawardena (North East Hampshire) (Con): I congratulate my hon. Friend on opening this important debate. Although we can get hung up on process, NICE, NHS England and, dare I say it, Her Majesty's Government, is it not true that real people's lives are at the heart of this? As I understand it, Vertex has been offered the most generous settlement in the entire history of the NHS. Is it not time that the company now took the brave decision to accept a very generous deal?

Paul Scully: My hon. Friend is absolutely right. Vertex has a pipeline that should help its shares—their value has doubled over the past few years, and I am sure they will do very well in future—but we must have a balance with shareholder value, so that the company can continue to invest and continue its research. As he says, this is about human beings, their quality of life and their lives.

Ian Paisley (North Antrim) (DUP): The hon. Gentleman has struck a chord with the points that he has raised, which have been heard by Members of different parties. We must also make this cross-channel, and Northern Ireland cannot be left out of this arrangement. I know the chief medical officer has been in discussions with NICE and the Department to ensure that no postcode in the whole of the United Kingdom is left out of a settlement in this matter.

Paul Scully: The hon. Gentleman is absolutely right. Northern Ireland must surely be in there too.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): This debate is primarily about the availability of Orkambi in England. The 540 of my constituents who signed the petition and Rebecka and Matthew Bow, who contacted me on behalf of their daughter, Sofia, are really keen to see progress in Wales. Does the hon. Gentleman agree that it is important for health across the UK that we work together to ensure that there is a co-ordinated approach with Vertex to make Orkambi available right across the United Kingdom?

Paul Scully: The hon. Gentleman is right. Cystic fibrosis is a rare disease that particularly affects this part of the world, so we must find a way of working together across the whole of the UK.

James Frith (Bury North) (Lab): The hon. Gentleman is making a compelling case. I know that this issue matters to him and to many others in the Chamber. One of the many issues that victims of this wicked disease face is that they cannot congregate and make the case for themselves—such is the risk of infection. It is therefore incumbent on us to make a cross-party effort to amplify their cause. They face the inflexibility of NICE and the rigidity of Vertex's pricing, but they now have the hope that the Minister will hear anew the campaign from colleagues from across the House.

Does the hon. Gentleman agree that, in this instance, per-patient pricing is not an accurate conclusion for Vertex to reach? It should take the deal on the table and begin to save lives; its indecision to date is costing lives.

Paul Scully: The hon. Gentleman has absolutely nailed it. That is very much the point. This is about human beings, and we are dangling something in front of them that they just cannot access. The fact that people go off to Argentina and spend their own money to get the drug is ridiculous. That is a really important point.

Anneliese Dodds (Oxford East) (Lab/Co-op) *rose—*

Paul Scully: I will make two more points about mental health, and then I will let someone else intervene.

As I said earlier, Oli Rayner said that he effectively spent 10 years preparing to die. He even cold-called a vicar to plan his own funeral. He is now 43 and has a relatively clean bill of health after having a lung transplant. It is outrageous that he had to do that.

[Paul Scully]

I want to raise with the Minister the case of Carlie Pleasant, who ironically works for the NHS. She has CF and has had to go to the hospital a number of times. Her HR manager has told her that she has had too many days off sick, and that she has reached the trigger point. Basically, she has been told that she may be able to make up for it if she is not off for the next couple of months. She has a husband and a young child, she is running a home and she is trying to keep her job and pay her mortgage. How much pressure does that put on her mental health?

There must be thousands of sufferers in a similar situation across the country. We are talking about a life-saving, quality-of-life drug. When we, and especially the Government, try to ensure parity of esteem between mental and physical health, we must all ensure that that balance is reflected not just by treatments but by everybody in the health system and every employer.

Anneliese Dodds: I am very grateful indeed to the hon. Gentleman for giving way. He is making a very persuasive case, and it is obviously supported by many of us. Returning briefly to his point about buyers' clubs, he will be aware that many sufferers and their families have already made significant financial contributions to CF research. The Oxford group, made up mainly of parents and grandparents of people with CF, has raised more than £174,000 for research just since 2003. They are obviously very upset at the current impasse, as they have made that contribution and they now feel that they have to do it again through buyers' groups. Does the hon. Gentleman agree that that is totally unacceptable?

Paul Scully: The hon. Lady is right. The fact that people have to resort to such things is ridiculous given that we have a comprehensive health system. It is about time Vertex recognised that there is plenty of time for it to make a reasonable profit on its drugs portfolio. It is not helping the situation. There are a number of people from the Cystic Fibrosis Trust in the Public Gallery, but unfortunately, as the hon. Member for Bury North (James Frith) said, many sufferers cannot be here because of the danger of cross-infection. They are hopefully watching the debate on television or on their computers.

Teresa Pearce (Erith and Thamesmead) (Lab): The hon. Gentleman is being extremely generous in giving way. On the issue of shareholdings and profit, when I was doing research for this debate, I came across something in the Wall Street news that told me that Vertex gives a higher than average return on investment. Most companies that operate in this area give a return on investment to shareholders of 20%; last year, Vertex gave 45%.

Paul Scully: I am grateful to the hon. Lady for pointing that out.

Luke Hall (Thornbury and Yate) (Con) *rose—*

Paul Scully: I am just about to conclude. My hon. Friend the Member for Burton (Andrew Griffiths) made an interesting point. In order not to top the record, I will be finishing very soon.

Luke Hall: It is absolutely devastating that we are having a debate in Westminster Hall again about an issue that still has not been resolved. I thank my hon. Friend for his commitment to it. He opened the previous debate, when the Chamber was completely full, and he has opened this debate fantastically well. Does he agree that the message that should go out from this debate is that a permanent deal must be agreed with Vertex as soon as possible? We cannot rely on buyers' clubs or any other mechanism.

Paul Scully: My hon. Friend is absolutely right.

Sir George Howarth (Knowsley) (Lab): The hon. Gentleman is making a very powerful case that we all accept. A moment or two ago, he mentioned somebody he met earlier today who suffers not only from diabetes but from cystic fibrosis. Could we imagine a situation in which someone who has type 1 diabetes and needs insulin to survive has it taken away? Although the two conditions are completely different, is there not some equivalence between the two?

Paul Scully: The right hon. Gentleman is absolutely right; that is a really good point. Actually, the diabetes came from the cystic fibrosis, but he is right to talk about the medication in that way.

Alan Mak (Havant) (Con): My hon. Friend is making a persuasive speech. This issue is important in my Havant constituency, as it is in the constituency of my right hon. Friend the Member for Tunbridge Wells (Greg Clark), who is sitting next to me. Does my hon. Friend the Member for Sutton and Cheam (Paul Scully) agree that while we praise the work of the Cystic Fibrosis Trust, we should also commend it for the research into the condition that it does itself? I urge hon. Members from across the House to support any bids for funding that it makes to the NHS or other funding bodies so it can continue its important work in this field.

Paul Scully: My hon. Friend is absolutely right. I have been to the Cystic Fibrosis Trust twice, and I was absolutely blown away. It is the kind of organisation that I got into politics to help. I met Lynsey Beswick, who works there—she may be in the Public Gallery. She is a CF sufferer, and she has just climbed Snowdon. I would struggle with that, and she has reduced lung capacity. *[Applause.]* That is the first time I have got a round of applause in Westminster Hall; I am not sure it is to be encouraged. Lynsey, that is for you.

John Stevenson (Carlisle) (Con): My hon. Friend is giving personal experiences of how this illness has affected individuals. I met Ayda's family last week to discuss how it affected them. I have been thinking about the benefits that the introduction of the drug could bring about. One is a saving to the NHS through not needing to use other drugs. The family would need fewer visits to the hospital, which would have an effect on patient care and would free up time for the hospital to look after other patients. Does he agree that it would also bring about a significant improvement to family life, not just for the individual, but for the extended family too?

Paul Scully: My hon. Friend is absolutely right. The young son of the lady who had her Orkambi withdrawn at the end of the trial asked her, "Mum, what was the worst day of your life?" She said, "It was when that drug was taken from me." Her son—from memory, I think he was seven—said, "You know what? That was the worst day in my life as well." This is about the extended family and the people around the patient. A number of hon. Members have talked about the cost per patient, but it is not just about the patient; it is also about their friends, family and loved ones.

Gillian Keegan (Chichester) (Con): I thank my hon. Friend for securing this debate. I met my constituent Jack when I went to visit our local hospital. It is not surprising that I met him, because he spends six months in the hospital every year. He is now running out of treatment; he has tried everything. He is on 30 tablets a day, and he is on nebulisers. He is trying treatment after treatment, and the treatments are running out. Patients like Jack need this drug urgently, because there is almost nothing left.

Paul Scully: My hon. Friend is absolutely right. People are desperate; this has been dangled in front of them and it is about time that we acted.

I welcome my hon. Friend the Minister to her place—it is fantastic to see her serve as well as she does. I know that Vertex and NICE will be listening to the debate, and I hope that they act. It is so important that that we get this right and get it done now, for the sake of the thousands of people across the country who look to politicians to do things. I talked about the independence of the system, but we need none the less to do everything we can to bring the parties together to ensure that they deal with the matter. As I keep saying, this is about human beings, their life expectancy and their quality of life. I look forward to the Minister's response.

Several hon. Members *rose—*

Mr Adrian Bailey (in the Chair): Order. Seventeen would-be speakers are listed for the debate. Back-Bench contributions will conclude at 6.58 pm to allow for the Front-Bench speeches and the proposer's summing up. I will therefore put a six-minute time limit on individual contributions. I call Kerry McCarthy.

5 pm

Kerry McCarthy (Bristol East) (Lab): Thank you, Mr Bailey; it is a pleasure to see you in the Chair. I thank the hon. Member for Sutton and Cheam (Paul Scully) for introducing the debate on behalf of the Petitions Committee.

As we have heard, Orkambi is a life-changing treatment that stands to benefit 4,000 cystic fibrosis patients in the UK—40% of the total number of people with the condition—and which was licensed almost four years ago. In some ways, the debate has almost moved beyond Orkambi, because other drugs now being developed would help an even greater proportion of patients. Vertex's ongoing refusal to offer a price for Orkambi that the NHS can afford means that those patients are still unable to benefit from the treatment.

I will point out—this is important to what I will say next—that in 2017 alone, Vertex earned £2.5 billion from the sale of Orkambi, while its chief executive was paid more than £17 million. Pharmaceutical companies such as Vertex play an important role in the development of innovative medicines and money goes into that, so I entirely accept that they should make a profit as a result, but to pursue excessive reward at the cost of patients' lives is, I believe, morally bankrupt.

I will speak about alternative approaches. A few weeks ago, I had the opportunity to meet an Argentine drug company that has come up with a generic alternative to Orkambi. I also met two parents, one of whom was fortunate enough to be in a position to be able to spend a six-figure sum on Orkambi for his young son, who was, he said, doing well on it. He was clearly in a very privileged position to be able to do that. The other father was not in that position and was looking at the buyers' club approach that has been mentioned and that featured on "Newsnight" on Tuesday. He said that if he had to sell his house to afford to buy the drugs at the reduced price—around the £18,000-mark—he would do so, because his son is far more important to him than the place he lives.

I was introduced to the Argentine drugs company by a Bristol-based international organisation called Just Treatment. With a range of experts in the field, Just Treatment has made contact with the generic manufacturer of the drugs, which can supply a safe and effective version of Orkambi at a cost for individual CF patients of about £23,000 per patient per year—just 30% of what Vertex charges. If there were a buyers' club, the price could come down.

The term "buyers' club" comes from the Hollywood film, "Dallas Buyers Club", which gave a fictionalised account of the buyers' clubs that popped up in the '80s and '90s because of the lack of access to HIV treatment. The clubs enable patients to understand their right to procure more affordable generic versions of drugs that they would otherwise struggle to access.

In Argentina, a small number of people have CF, and only a couple of hundred would benefit from Orkambi, of whom 120 take the generic alternative and seem to be doing well. The longest that anyone has taken it is 18 months, so although it is early days, treatments seem to be going well. Initial discussions with the generic manufacturer suggest that once 500 patients sign up to receive the drug, the cost would drop to just 20% of that demanded by Vertex.

Clearly, whether it costs £18,000 or £23,000, the drug is still not affordable for most people, which is why I would argue that although that is a step forward for some, the Government need to step in and help patients. The most effective way they can do that is by pursuing a Crown use licence for Orkambi. A few months ago in the House, the hon. Member for North Herefordshire (Bill Wiggin) mentioned that possibility in the context of access to medicines for CF patients. In the legal provisions set out in section 55(1) of the Patents Act 1977, the Government have the power to suspend Vertex's patent on Orkambi and overturn its monopoly. One of the Government's primary objections to that route has been the concern that it could take years to develop a generic product, but as I have said, a generic product is now on the market, is being tested and is available for patients in the UK, although only three boxes can be provided at a time and it is still unaffordable at the price that I mentioned.

[Kerry McCarthy]

The Government should also explore the funding of a large-scale clinical trial, which would enable the NHS to use research exemptions in intellectual property rights law and allow it to use the generic version of Orkambi. That approach has been used before, with the HIV prevention medication PrEP, or pre-exposure prophylaxis, and ensured that tens of thousands of patients were able to access that drug while its expensive branded counterpart was still under patent—I would be particularly interested in Minister's response to that. A trial could be set up in anticipation of a Crown use licence, providing data necessary to support regulatory approval of the generic version of Orkambi.

If the Government are unwilling to pursue either of those routes—I cannot see why they should be reluctant to do so—there is another alternative that goes down the buyers' club route: providing personalised health budget payments to help patients meet the cost of the generic drug. People are absolutely fed up of the deadlock between Vertex and the NHS, so I urge the Government to look at those more imaginative solutions.

5.7 pm

John Howell (Henley) (Con): It is a pleasure to serve under your chairmanship, Mr Bailey. My first introduction to cystic fibrosis came before I became an MP. I wrote some newsletters and did some public relations work for the Cystic Fibrosis Holiday Fund, the main objective of which was to provide holidays and ancillary facilities to under-18s who suffer from cystic fibrosis. On the basis of medical advice that was given in 2000, we now cannot take those children away together, so the fund spends most of its time generating respite break grants and providing the Family Revitalise programme. Those initiatives are both important, but do not compare with making available Orkambi or any of the other drugs that have been mentioned.

Two families in my constituency have children with cystic fibrosis. I have spent time with both families, and have seen that largely the children are happy, normal children who enjoy all the things that other children enjoy. Hanging over them, however, is the threat of a double-lung transplant just to stay alive.

Orkambi changes lives, and we need to look at ways that we can make it available. A number of structural difficulties were identified during the conversations that I have had on the matter. The first is one of commercial incentive and risk. To compound that point, one can look at the relative strength in numbers of those who suffer from diabetes or from cystic fibrosis: diabetes accounts for 4 million people, while cystic fibrosis accounts for only 70,000. A major hurdle is therefore already built in for those with cystic fibrosis to overcome. We should not forget that.

The issue of the time taken, which has already been raised, goes back to criticisms of the NICE process. The criticisms that I would make fall into three types: first, NICE adopts the same evaluation process for a drug that might treat tens of millions of people as it does for a drug that treats a few hundred thousand or, indeed, a few thousand. We need to bring home to NICE that that is not a right way to proceed.

Secondly, the same evaluation process is also used whether the drug is taken for a brief period or a long one—in other words, whether it is a short use cancer-related drug or, as in the case of Orkambi, it must keep being taken over many long periods. That factor needs to be built into any evaluation of the drug as well.

The third criticism that I would make of the NICE process is that it is too focused on short-term benefits, and not on long-term benefits, which we know that Orkambi can produce. As has been mentioned, the data released by Vertex show that after 96 weeks of treatment, the rate of lung function decline reduced by 42%. That is a major long-term thing to hang on to. Furthermore, the net value of Orkambi is hard to calculate and therefore to capture accurately. A number of direct costs need to be taken into account, such as the cost of hospitalisation, and there is evidence that Orkambi starts to reduce the number of other medicines that need to be taken.

We have heard that Orkambi is available in many other countries in Europe, although I hear that the Spanish Government are having difficulties with Vertex, in the same way as we are, over the availability of the drug. The agreement that was reached with Vertex to make Orkambi available was a disappointing affair. We need to put on the pressure to ensure that that happens and that generic drugs are brought forward to be used instead. The example often cited is Ireland—both families in my constituency mentioned the situation there—and it is interesting to note that success story of the use of Orkambi. It has been very successful there, and we should all take that to heart in making progress to ensure that young people suffering from cystic fibrosis have access to this drug.

5.13 pm

Dr Sarah Wollaston (Totnes) (Ind): I thank my constituent, Cathy Meredith, who started this petition. I also thank Oli Rayner and the many others living with cystic fibrosis who, sadly, cannot be in the Public Gallery with us today because cystic fibrosis is such a curiously isolating condition—those suffering from it cannot be in the same room as others because of the risk of transmitting resistant infections.

I will start with some context on the cause of cystic fibrosis, which is a mutation in the cystic fibrosis transmembrane conductance regulator gene, affecting the production of a protein that in turn has consequences for the balance of salts and fluids moving across membranes, leading to an accumulation of thick, sticky mucus in the lungs and other organs. The point, however, is that although 10,000 people in the UK live with cystic fibrosis, it is not really a single condition: there are many mutations of the CFTR gene. That has consequences for the types of medication to which people will best respond. We need to think of cystic fibrosis not only as a rare genetic condition but as a series of much rarer conditions. That is important to note.

We now have some real hope for progress with the CFTR modulators, but we need to make that progress much more rapidly than we are. The negotiations between Vertex and NHS England have dragged on for far too long. The patients living with cystic fibrosis and their families have been lost in those discussions. We need not only to return to thinking about them, but to bear in mind the implications that go far beyond those living with cystic fibrosis.

The NHS has a responsibility to consider the wider cost of drugs, including the opportunity costs—what we cannot treat if our NHS budget is consumed completely by the ever-rising cost of drugs. For the NHS to have that responsibility is a tough message for all of us, which is why we need bodies such as NICE to make the decisions to ensure fairness for all patients who rely on NHS resources. To put that in context, the drugs budget in 2017-18 was £18.2 billion. A little more than half of that was for hospital drugs and, over the past seven years, the costs of those drugs have increased by 119%. We therefore have to bear in mind the implications of taking a free-for-all approach to drugs costs, which the Minister will not want to do.

The Government are trying to get the parties around the table. Unfortunately, the gap is huge between what Vertex continues to demand for the drugs and what the NHS is offering based on recommendations from NICE. The gap is not small; it is considerable. Other companies have come to the table to negotiate their prices, so I call on Vertex to look again at what is happening. It is absolutely disgraceful that families have to resort to such things as buyers' clubs; the inequalities that that creates are horrific. We need Vertex to focus on what is happening.

I am also concerned about some of the points made during our Health and Social Care Committee inquiry into Vertex. For example, we asked the company directly whether drug supplies had been destroyed because they were going off date, and we were told that that was not the case and was very unlikely to happen—but it has been happening. That is wholly unacceptable.

To come back to the alternatives, the hon. Member for Bristol East (Kerry McCarthy) touched on the issue of Crown use licences, for example. One of the areas that our Committee considered was possible referral to the Competition and Markets Authority. In fact, we have now heard that that would take many years, so unfortunately the area does not look like one we can pursue further. However, given so little progress since our inquiry, the Committee wrote to all the parties involved in the negotiations—NHS England, Vertex and NICE—to ask where we are now.

The most promising idea that we should take forward to apply pressure is that of interim agreements, such as in Scotland. An interim price is agreed, further research is carried out and all parties agree to a review based on the outcomes of that further research. That is being managed in Scotland and other places, as we have heard from other speakers today, and I urge Vertex to do that here. We all recognise the need for a fair price to enable further research to take place. We all recognise that many other drugs are in the pipeline, particularly a very promising triple therapy, which NHS England has now agreed to take off the table so that it does not distort future pricing. That is a sensible thing to do at this stage, so that within the current offer we look just at the three existing treatments. At a later stage, we can come back to look at the triple therapy evidence. I urge all parties to come to an interim agreement at least, and to continue to put patients front and centre in everything they do.

Finally, I would like to touch on the political aspect, because both President Trump and US Secretary of State Azar have repeatedly referred to using their muscle in trade negotiations to increase the price that European countries would have to pay for their drugs. They have referred to the NHS "freeloading", for example. That is very worrying. We all need to be aware of the dangers of a future trade deal and the implications that it could have on negotiations for a range of other products. I hope that those points have contributed to the debate. All parties need to focus on the people at the heart of the issue: the patients who are living with cystic fibrosis.

Mr Adrian Bailey (in the Chair): I gave the Chair of the Select Committee a little latitude, but that may not be available to other speakers. I call Sir Mike Penning.

5.20 pm

Sir Mike Penning (Hemel Hempstead) (Con): We all hoped that we would not be in this debate again, a year on from the last one. It is a tribute to the House that we have come together, from across the House, for a debate, which probably should take place in the main Chamber, about what is in my opinion an immoral situation, frankly: families are still waiting for a drug that we know can extend lives and prevent a serious need for invasive and very painful surgery. The situation causes a lot of worry among extended families.

Across the Irish sea in the Republic of Ireland—a country that is poorer than us in GDP terms—and in other countries that are also poorer than us, the deal has been done. It is not just a shame but a blight on our proud NHS that we have not come to an agreement one way or the other with Vertex and that we have not made a decision about whether we will go down the Crown use licensing route if Vertex cannot do a deal with us. We could have started that way back—they said it would delay everything, but we are here now, and there are patents being developed around the world. The situation is not of benefit to Vertex—we have heard about its shares—because it has not been able to sell its product in a country with a prominent number of CF sufferers.

Why is this happening? Is it just about cost? Is it just because civil servants and Vertex do not care about the lives of those wonderful people and their children? Is it about greed, or is it about how we procure drugs, as we have heard? When NICE was brought in, it took the politician, quite rightly, out of the decision making. But we cannot be outside it, because we are here as representatives of people who are suffering in constituencies around the country. We are here to be their voice. They have done fantastically well—the campaign group is brilliant: one of the top campaigns out there—but we do not seem to get anywhere. We have to look at how NICE looks at whether something is value for money. How can we value someone's life? How do we value someone having a lung transplant later in life? What if they are not well enough to have that lung transplant, and they die early? What about the cost on not only physical health but mental health?

Let me stretch the House's imagination a little. I used to be the roads Minister. Understandably, everybody wants roads—they want bypasses here and there. I had a simple way of looking at them: we would look at the benefit-cost ratio and say, "If we put money into that pot, what is the benefit to the community?" It would be £1 billion for a bypass, but the community benefit would be £3 billion, for example. Clearly, the way that NICE is looking at this drug is that there is not a good cost-benefit ratio, even though we know how much benefit there would be. NICE needs to look down the other end of the telescope.

[Sir Mike Penning]

Things have changed since NICE was set up—medicine has changed and drugs have changed, as the Chair of the Health and Social Care Committee, the hon. Member for Totnes (Dr Wollaston), mentioned. There are generic drugs coming down the line that are fundamentally targeted at certain illnesses, particularly ones that people inherit and are born with. Those drugs can turn off that switch and make the situation better, but NICE was never set up to deal with them. I was a shadow Health Minister for four and a half years; we looked at how NICE could develop and where to go with it. NICE is quite fixed, but because we politicians tell it to be. The House set up NICE—those with a long enough memory will remember when we did—with the Department of Health.

The key is for NICE to look at this issue differently. We can set up trials and we can find out why Scotland has an interim agreement, but the trials are there now. How immoral is it that someone was put on Vertex and their life expectancy got better, but it was removed? We are not talking about millions of people—surely, Vertex could have addressed that. We cannot sit here or in the main Chamber next year debating exactly the same thing that we debated last year. I do not care what colour the Government are: if there is a change of Government tomorrow morning, the issue will be exactly the same. Minister, for the sake of humanity, and families and loved ones, we have to do something about this, and we need to do it now.

5.26 pm

Thelma Walker (Colne Valley) (Lab): It is a pleasure to serve under your chairmanship, Mr Bailey.

It is just two years ago last week that I was elected Member of Parliament for Colne Valley. Over the past two years, it has been a real privilege to serve and speak up for my constituents. One day, however, will stand out more than most for me, among many amazing and challenging days. It was Friday 31 May, when two children visited me in my constituency office. One was nine-year-old Tristan with his grandpa John, and the other was one-year-old toddler Charlie with his Mum and Dad. I had had a busy advice surgery that afternoon, but went straight to meet Charlie in one room, while Tristan waited patiently in another. They were in different rooms to avoid cross infection as they both suffer from cystic fibrosis.

They had come to see me to each hand me a letter in which they described their daily challenges living with cystic fibrosis. The letter also described how access to just one particular drug might make their daily battle with the disease a bit easier, and might result in both children living longer lives. One-year-old Charlie, along with his parents, would benefit if he could access the necessary drug from such an early age. Charlie handed over his letter to me, which I must admit was a bit soggy and chewed by the time I got it. It was a joy to be with him and his parents.

Tristan also handed me a letter. Following the death of Tristan's father in 2016, Tristan's grandpa and granny, John and Frances, look after Tristan as his guardians. The family have experienced more than their fair share of loss. Like Tristan, his uncle Adam suffered from cystic fibrosis, and died aged 25 in 1999. I can only imagine the immense pain and grief and incredible frustration of losing a son, yet still, nearly 20 years later, being unable to access the drugs that already exist and that would improve the life of their grandchild. I cannot express how much admiration I have for Tristan and his family, and for Charlie and his; they have campaigned with the Cystic Fibrosis Trust to improve the lives of others.

What is this drug? It is called Orkambi; it already exists and it would improve the lives of children such as Tristan and Charlie. It is made by the pharmaceutical company Vertex, and the fact that it is not already available to those who need it is shameful. There are at least 2,834 people currently dealing with cystic fibrosis in England who could benefit from Orkambi.

Why has Orkambi not been made available? The current situation is that Vertex, NHS England and the National Institute for Health and Care Excellence cannot agree a price. We know that Vertex declined a £500 million offer from NHS England, and we know that the NHS has made a new offer, which currently remains confidential. Vertex did not consider £500 million an adequate sum, but it did, allegedly, consider it okay to destroy 8,000 packs, or a 600-year supply of Orkambi, as the deadlock continued. The lives of children such as Tristan and Charlie seem to be deemed acceptable collateral damage in this boardroom-style version of healthcare provision.

I urge Vertex to consider the NHS's current offer with the lives of children such as Charlie and Tristan at the forefront of its mind. This seems to me to be a straightforward ethical decision for Vertex, which should be willing to compromise on its profit margin in circumstances where the lives of children are at stake. Let us be clear: Vertex is not struggling to make ends meet. It is a $43 billion company. That is about the same as the GDP of Bolivia or Tunisia. Vertex's chief executive officer received a total salary of around $19 million in 2018, making him one of the best paid CEOs in the pharmaceutical industry. As ever, the problem is not that there is not enough money, but that big business is not willing to spend it.

This situation, in which children's lives are held to ransom, must not continue. Vertex and NHS England must agree a deal soon, or an interim solution must be found, as happened in Scotland. Children's lives must not continue to be held hostage. Tristan's grandpa has already lost a son to this condition. There is simply no excuse for not prolonging and improving Tristan's life. I will continue to campaign with Tristan and his grandpa, and Charlie and his parents, until this drug is made available to them and they are able to get on with their lives.

I will finish with a direct plea from Tristan's grandpa, John Binns:

> "We don't have time – please don't waste it. It's costing lives and there are too many cystic fibrosis angels already."

5.32 pm

Ian Austin (Dudley North) (Ind): We have been campaigning on this issue for well over four years; I think this is the fifth or sixth debate we have had in this Chamber or the main Chamber. We have met two Prime Ministers, two Health Secretaries and several Health Ministers. We have a new Health Minister with us today. We welcome her to her place, and we hope she will be able to unlock this issue in a way that her predecessors did not. I cannot remember how many cross-party letters we have delivered

to Downing Street. There have been countless meetings between MPs, Vertex and the Cystic Fibrosis Trust. However, four years after this drug was licensed, it still is not being made available to the people who need it.

Imagine how many people's lungs have suffered irreparable damage in that period. Imagine how many people have seen not just the quality but the length of their life reduced over the past four years. I pay tribute to the brilliant people from the Cystic Fibrosis Trust who are with us today: David Ramsden, Nick Medhurst and the brilliant Lynsey Beswick, whom we heard about earlier. Most of all, I pay tribute to the army of parents and carers who work so hard on this issue all year round. We are in this room today because of the inspirational work they do. It is humbling and heartbreaking to meet them and listen to their stories.

I became involved in this issue because I met Carly Jeavons, whom the hon. Member for Sutton and Cheam (Paul Scully) spoke about. She is from Dudley, and she took part in a clinical trial for Orkambi. Before being put on that trial, she had to choose between leaving work, with all the financial hardship that would cause, and struggling on in work with her health getting worse. She had to take 90 tablets and do two hours of physiotherapy a day. Her lung function was 44%. She had to spend two weeks in hospital every three months. That is not an unusual story, by the way, for people with cystic fibrosis.

Carly told me:

"Orkambi has changed my life. I quickly became well enough to start to live a more normal life again as a working mum. My health has remained stable…hospital visits have massively reduced,"

and unplanned admissions are now non-existent. Since she started having Orkambi, she has been able to go on holiday for the first time, she has got married, she has started a family and she has started a business. She makes a much bigger contribution to the economy. People talk about the cost of providing these drugs; what about the contribution that people who are given Orkambi can make to the country and the economy? Let us think about that.

I did not really understand the impact that having a condition such as cystic fibrosis has on the rest of someone's life. I mentioned Lynsey a moment ago. I hope she does not mind me telling everyone this. She is in her 30s, and she told me that, at a time when her friends are getting married, planning families, developing their careers, starting businesses and making long-term plans, people such as her are deterred from doing those things. It was heartbreaking to listen to her tell me that, so I cannot imagine what it is like for her.

I hope people forgive me for being blunt, but people in Lynsey's position are just not able to plan for their future in the same way because they do not know how long they have to live. Every day that people who could be helped by Orkambi are denied access to it is another day for which their lungs suffer irreparable damage. It is not like breaking a leg—a leg can be fixed and become normal again, but someone's lungs will not recover.

I understand that Vertex wants to make a profit. Of course it does, and of course it needs to be able to fund future drug developments. But surely it would make sense to sell a lot of a drug at a slightly lower price than to sell nothing at a really high price. I am not an expert on pharmaceutical company economics, but that seems to me to be worth looking at.

What assessment has the Minister made of the case for Crown use licensing, where the Government take control of the situation and ensure that these drugs are provided? What assessment has she made of the case for the Government providing the cheaper drugs that are available elsewhere? It is a disgrace that families have to buy them from Argentina.

The Minister is new to the Department, and we really hope she will work night and day to get this sorted out. She should get NHS England, NICE and Vertex in a room and not let them out until they have come to an agreement. That is what we need to happen. Will she also meet the cross-party group of MPs who have been working on this issue, and the parents and the Cystic Fibrosis Trust, so we can discuss it in more detail than we are able to this afternoon?

The situation is urgent. The system has not worked. People with cystic fibrosis have been put in an appalling position. This really does need to be sorted out now.

5.38 pm

Jeff Smith (Manchester, Withington) (Lab): It is a pleasure to see you in the Chair, Mr Bailey. I congratulate the hon. Member for Sutton and Cheam (Paul Scully) and all the other Members who have made thoughtful and powerful contributions. As we heard, it is now more than a year since the Prime Minister called for a "speedy resolution" to this crisis. For years, patients and their loved ones have seen their health decline, knowing that a possible solution has been sitting on the shelf the whole time. I will use two personal stories to illustrate why this issue is so urgent and important.

My constituent Clare Dempsey has been advocating for patient access to Orkambi and the associated precision treatments on behalf of her son, Jake Wright, who is nine and was diagnosed with cystic fibrosis at birth. His story is an insight into the relentlessness of treating the symptoms of the disease. He has to take 200 tablets a week, undergo two hours of physio a day and use nebulisers morning and night. Every year, he spends two weeks in hospital in isolation, receiving intravenous antibiotics. Jake has lost 16% of his lung function and a recent CT scan of his lungs showed early signs of bronchiectasis, which can leave lungs more vulnerable to infection. Precision medicines such as Orkambi that tackle the underlying causes of CF could have prevented those irreversible changes to Jake's health. Imagine how it must feel as a parent to know that.

There is also the associated emotional and financial pressure on families. Clare is a cancer researcher by profession, but she has had to go part time to care for Jake. Not only is the NHS losing her skills but she is unable to earn money for the family, who have had to put their house on the market. If the root causes of Jake's cystic fibrosis go unaddressed, the level of care he will need from his family and medical professionals will only increase. We talk about cost-benefit analyses, but NICE cannot take into account that effect on families, the NHS and wider society. We need to bear that in mind carefully when talking about this issue.

I want to talk about another affected family. My constituents Sadie Lawty and her husband Steve Sanders have a three-year-old daughter, Eloise, who is a lovely young girl I have had the great pleasure of meeting. She was diagnosed with cystic fibrosis when just two weeks old. It was a bombshell to Sadie and Steve, because as

[Jeff Smith]

far as they knew there was no family history of it. At the time, they were told there were many reasons to be hopeful, because a new family of pharmaceuticals that targeted the underlying causes of cystic fibrosis had recently been introduced. They were given hope, but their hope has been frustrated.

Orkambi has existed for the whole of Eloise's life, and its positive effects are long established. The frustrating reality for Eloise and her family is that they are no closer to accessing it than when she was first diagnosed. As we heard in Jake's case, there is never a day off when combating the condition. Medicines have to be administered around the clock and there are endless trips for assessments and treatments. In fact, while we are having this debate Eloise's parents are taking her to the doctor's for her annual review, essentially to find out how much damage has been caused by cystic fibrosis so far.

Accessing Orkambi could help sustain Eloise and offer her parents some longer-term peace of mind. It is not a wonder drug, but it is a source of hope, so it is frustrating for Eloise's family that their hope has been dashed. Eloise is doing well at the moment; hopefully that will continue. She will start nursery soon. At three years old, she has a while before the cumulative effects of cystic fibrosis really set in, but many people cannot afford to wait much longer.

I think back to my first brush with the condition, when I had a girlfriend who was a nurse. She was looking after a very charming young man who sadly died while still in his teens. That brought home to me the personal tragedy involved with this condition. It is therefore vital that the Government take responsibility for pulling people together and finding a solution among NICE, the NHS and Vertex as quickly as possible.

There are potential ways forward. My hon. Friend the Member for Bristol East (Kerry McCarthy) outlined solutions such as Crown use licences to overturn the monopoly and access to drugs through clinical trials. The Chair of the Health and Social Care Committee, the hon. Member for Totnes (Dr Wollaston), talked about the interim arrangements in Scotland, which may provide for a way forward. Whatever that way forward is, we need to find it.

I am pleased to see the Minister in her new role and hope that, as my hon. Friend the Member for Dudley North (Ian Austin) said, she will really grip on to this issue and try to find a solution that delivers for all the people I talked about, for the people who need the drug now, for the people in the Public Gallery, and in memory of the people who died. I plea with her to get the Government to get people around the table and find a solution.

5.43 pm

Mr Stephen Hepburn (Jarrow) (Lab): It is a pleasure to serve under your chairmanship, Mr Bailey. Like others, I pay tribute to the hon. Member for Sutton and Cheam (Paul Scully) for bringing about the debate and allowing us once again to give the Government a jog and tell them to get this sorted out once and for all. We are all aware of cystic fibrosis. It affects all of our constituencies. It is a life-limiting condition that affects more than 10,000 people in the UK. It is a condition with no cure as of yet, and half of those who have it will die before their 31st birthday.

We are also aware that there is a drug available. Orkambi, developed by Vertex, treats not only the symptoms associated with cystic fibrosis but the underlying causes. One of these patients is four-year-old Harriet Corr from Jarrow, whose parents Emma and Chris are here today. They desperately want a better quality of life for their daughter. They contacted me because they were frustrated and upset that Harriet could not get access to this life-changing drug as it is not available on the NHS in England. An even bigger blow to them is that if they lived an hour further north, in Scotland, Harriet could qualify for it next year. Why? The NHS in England and NICE do not deem the drug cost-effective and have spent more than two years negotiating a price, without success.

It is totally unacceptable that a country with the second highest number of sufferers, and one that leads the way in cystic fibrosis outcomes, now risks falling behind many other European countries and the USA and allowing people with the condition to become physically sicker than necessary all because an agreement on the economics of treatment cannot be reached. We all know that because of that we have had five parliamentary debates, and still there has been no action from the Government. These drugs need to be on the NHS now, because every day without them is another day of suffering for the people living with the condition.

If people want to focus on the economics, the evidence is clear. As Members have outlined, this treatment prevents the condition from escalating, thus preventing more expensive treatment further down the line. It would reduce the number of times patients used the NHS and hospitals throughout the year, which would obviously be a saving to the NHS and—more importantly—a better outcome for patients and their families.

Let us look at the human aspect of the debate. Families are well aware that access to the treatment is not a cure for the condition, but it certainly helps those affected live as normal and fulfilling a life as possible in the short time they are with us. The NICE appraisal methods fail to recognise that. How can a cost be placed on a child with cystic fibrosis and their ability to manage their condition, to go to school, to play with their friends, to go to university later on in life and get a job as well as easing the burden of care on their families and carers? Why should Harriet and her family not have a worthwhile quality of life and get to do the things many of us take for granted?

Time is running out for some patients, and we are calling on the Government to act now to resolve this matter urgently. I thank Members from across the House for pushing this case forward. I also pay tribute to the campaigners, who have fought hard, organised a petition and shouted so loudly that surely this Government, in the fifth or sixth richest country in the world, can no longer ignore them.

5.48 pm

Stephen Morgan (Portsmouth South) (Lab): It is a pleasure to serve under your chairmanship, Mr Bailey. Kick-starting a social media campaign, meeting local politicians and working tirelessly alongside organisations such as the Cystic Fibrosis Trust—do those sound like the actions of a five-year-old? Ivy Weir is a remarkable local campaigner who I am lucky to have living in my

city. With the support of Gemma, her dedicated mother, Ivy lives with cystic fibrosis. She has carved a path into uncharted territory when it comes to accessing Orkambi.

Ivy helped me send out 650 letters to all MPs asking them to take part in the #StrawfieChallenge. She has been on national news, alongside her mother—committed campaigner Gemma Weir—calling for that change. She has helped deliver hundreds of letters to 10 Downing Street, calling for Orkambi to be free on the NHS. Ivy, Gemma and other CF activists have shown immense dedication and resilience in the face of adversity; now we in Westminster must do the same.

There have been five parliamentary debates about access to these medicines, yet we still see no light at the end of the tunnel. Over a year ago, the Prime Minister called for a speedy resolution to this emergency; there has still been no progress. We have the chance to improve the lives of thousands of people across our nation. There has been enough dialogue; now we need to see action.

As we have heard today, over 10,000 people in the UK live with cystic fibrosis—one in every 2,500 babies born. In the last four years, this genetic disorder has tragically claimed the lives of 210 people. What makes these figures more harrowing is that drugs are available to relieve many of the symptoms and greatly improve the standard of living for those with CF, including improving life expectancy.

Orkambi can make a real difference. The obstacle to the widespread implementation of these drugs is the cost; I find that morally repugnant. We live in a nation that forged an NHS from the ashes of world war two, that prides itself on universal healthcare for all and that is the envy of the world, because healthcare is free at the point of delivery and based on clinical need, not ability to pay. As such, the UK is a global bastion when it comes to cystic fibrosis outcomes. However, if Orkambi and other drugs are not rapidly added to the list of drugs available on the NHS, we will lose this valued status. Letting costs stand in the way of saving lives does a great disservice to the principles the NHS is rooted in: universality, equality and fairness.

The Health and Social Care Committee has done vital work in carving out potential ways forward. Its recent calls for interim access would allow negotiations to continue, without the unnecessary suffering of those living with CF. However, the non-binding nature of the suggestions means that three months on, no such agreement has been set in motion. Where NHS England and Vertex remain at loggerheads, NHS Scotland has established a deal with the pharmaceutical company. This will create a brutal postcode lottery. The level at which people suffer from cystic fibrosis is currently determined by where they live in the UK. I am confident that this was not the NHS envisaged by its founders nearly three quarters of a century ago.

I have seen the effects on my constituents in Portsmouth at first hand; I will make every effort to ensure their concerns are raised. In 2017, I wrote to the right hon. Member for South West Surrey (Mr Hunt) in his capacity as Secretary of State for Health, urging a swift response. In 2018, I wrote to the Secretary of State for Health and Social Care, the right hon. Member for West Suffolk (Matt Hancock), on his appointment, asking him to do the same. In 2019, I wrote to the Prime Minister, asking her to intervene. Now is the time for leadership on this most pressing of matters. We must see progress and we must see it quickly.

It has been announced that Vertex Pharmaceuticals could potentially develop treatments for 90% of those who live with CF over the next five years. If solid, robust negotiating foundations are not established now, that could undermine patient access for generations. Today, I call on the Department of Health and Social Care, Vertex and the Prime Minister to make this a national priority and help to bring an end to the suffering of thousands of people across the UK.

5.54 pm

Rachael Maskell (York Central) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Bailey.

Leading up to this debate, I spoke to constituents, one of whom described the mental strain of knowing that a drug was available but could not be prescribed to their child. Another parent talked about the administration of 22 drugs, and the physio and hospital appointments that were needed, as well as the stress of their child being admitted to hospital. Their child is now 21 years old and there have been no changes, even though there is a miracle drug that could transform their life. Another constituent, Jack, who is seven years old and at the start of his journey, desperately wants hope for his future.

We are at the cutting edge of a generation of pharmaceutical breakthroughs that have the power to transform the lives of people who experience a range of medical diagnoses. It is an exciting point in our journey with medicine, and it could be transformative to patients and carers. To deny therapy is ethically abhorrent. Many Members today have said that this is about negotiation, but I say that negotiation is not the answer. We should not be wrestling over drugs time and time again; we need a completely different framework for addressing the cost of pharmaceuticals.

NICE needs an overhaul to ensure it is fulfilling its role and looking at patients' life course. I know that it does that work, but it needs to look at its effectiveness over a patient's life course and at the economic value it can bring not just to medicine, but to the wider economy. It also needs to ensure that the levers are in place for it to look at a portfolio of drugs, as opposed to looking at drugs one by one.

We need to understand how much the NHS can afford to pay for the benefits of new drugs, taking into account the health benefits that could be achieved with the money the NHS must find to pay for them. This assessment, based on a NICE appraisal, could inform a debate about national rebate agreements in the current pharmaceutical price regulation scheme. There are several costs involved: the manufacturing cost, the price the NHS can afford, the NICE assessment and the market price, which is driven primarily by the US market. That is a cause of frustration.

The argument among academics is that a mechanism of a national value-based rebate should reflect the difference between the amount the NHS is willing to pay for the benefits and the manufacturer's asking price. That would provide better incentives for manufacturers to make long-term investment choices, recoup costs and deliver for the NHS. It would also provide fairer rewards for innovation; manufacturers that produced more effective

[Rachael Maskell]

drugs at affordable prices would not need to pay a rebate, but those that charged more would pay a higher rebate. That would not impact the list price for the global market, and the rebate could be spread across the portfolio to provide better opportunities for manufacturers to bring new products to market.

That would take the politics out of NICE and NHS England. Canada is currently developing something similar, to ensure that drugs reach the places they need to reach. It can be further incentivised: should a manufacturer not supply a product when its production costs mean it could do so without making a loss, it could lose its patent. That would provide the required leverage. We need to hold discussions about this not just across the sector, but with the European Medicines Agency; the impact could be greater with more countries on board.

[David Hanson *in the Chair*]

People will have seen reports about the generic drug from Argentina, and we have heard about it in the debate today. We cannot allow inequality in access to pharmaceuticals in our country to grow, because it creates health inequalities. People who can pay will be able to afford that drug, and they will have better health outcomes. In the light of the ethics of the debate, the Department of Health and Social Care needs to move fast, now.

We need to be alert when it comes to trade deals with the United States, which is significant to the debate. The US will clearly want to drop the carrot of big pharma in front of Ministers, but that is a serious trap. The President talked about the NHS being "on the table" in his speech about trade negotiations, and we must be alert to the real agenda. It is through big pharma that he will get access to the NHS. As we have already heard, with respect to the size of the NHS drugs budget, that is a way of controlling it. We need to be on top of that.

Instead of drug-by-drug negotiation, we need a framework leading automatically to the leverage required to procure medicines. That will make such a difference. It will remove the uncertainty about different pharmaceuticals, as we move forward through the exciting developments that are taking place. Let us take the politics out of the process and enable NHS England and NICE to do their jobs, even under a new contract. I ask the Minister to do her job and to put a new framework in place.

6 pm

Laura Smith (Crewe and Nantwich) (Lab): It is a pleasure to serve under your chairmanship in this hugely important debate, Mr Hanson. I thank all the constituents who signed the petition, and those in the Public Gallery.

I am not surprised that my constituency featured so high up on the list of respondents, because my constituent, Elle Morris, became the face of a poster campaign this year pleading for life-changing drugs to be available to UK sufferers of cystic fibrosis. I was lucky and privileged to know Elle, who was from Nantwich, and to have her visit us here in Parliament. She sadly passed away in her parents' arms at Great Ormond Street Hospital for Children on 3 January 2018.

Elle had undergone a successful double lung transplant in July 2017, but complications set in when microbacteria, which originally infected her lungs, got into her bones. Sadly, despite treatment, which included the removal of part of her sternum and rib cage, she passed away. Now her image is being used in a campaign pleading for others to get access to the potential life-prolonging treatment drug, Orkambi. Her face has been displayed on four of the country's largest digital screens, in Birmingham, the south-east, south London and Manchester, promoting #OrkambiNow. It goes without saying that we in Crewe and Nantwich are exceptionally proud of everything that Elle achieved in her short life, and all that she continues to achieve. Her campaign group, Elle's Wishes, documented her brave journey, including her support, alongside the successful campaign run by the *Daily Mirror*, for opt-out organ donation.

Ahead of today's debate I asked Elle's mother Becky, a friend of mine, whether there was anything specific that she wanted me to mention to the Minister. Becky is an amazing credit to her daughter and continues to campaign tirelessly for CF sufferers. She said:

"Orkambi becoming available is so important to Elle's memory and it would prevent future heartbreak and suffering to other CF patients and their families. It's that step closer to maintaining health, and preventing more damage to a sufferer until a cure can be found. Organ donation is the only option currently and the cost is huge, and as we found not always successful as it suppressed the immune system which is vital for CF sufferers to keep strong and built up. If it was your child, would you do anything possible to keep them alive and as healthy as can be? Is there really a cost between a child and their health and their life? Elle was a true CF warrior and fought so hard. She appreciated life so much, the simple things like the countryside, school, spending time with her friends. She loved her home and her cups of tea. She could have potentially still been enjoying those things and looking forward to her 14th birthday in January 2020 but instead she didn't reach her 12th birthday. Please, please, as a bereaved mother missing her beautiful daughter every day consider doing everything you can to help those that still have hope. Why should they suffer? Yours Becky Whitfield."

I have many other constituents, as we all have, who are fighting CF or supporting family members who are suffering. It is frankly not good enough that Orkambi, which we all know can help to save lives, is not currently available on the NHS unless compassionate grounds are given. We have debated the subject before, and we know that cystic fibrosis affects about 10,400 children and adults in the UK, that Orkambi will change cystic fibrosis care for the better, and that it works for eight in 20 people. About 50% of individuals with cystic fibrosis in the UK have the genetic mutation that Orkambi can tackle, so the approval of Orkambi for use on the NHS could benefit about 5,200 people living with cystic fibrosis. Orkambi has been shown to slow decline in lung function by 42% and cut the number of infections requiring hospitalisation by 61%. It gives patients not only more control over their lives but a greater quality of life.

Orkambi is available for patients in other countries including Austria, Denmark, France, Germany, Luxembourg, the Netherlands, Italy, Greece, and the United States. I agree with the Health and Social Care Committee that it is hugely disappointing that NHS England and Vertex are yet to come to an agreement. I ask the Minister to explain her understanding of the position that has been reached. The Scottish Medicines Consortium has managed to agree a figure, and we must do the same.

It is disgusting that, while children such as my constituent die from their condition, it is reported that a pharmaceutical giant such as Vertex can charge the NHS an unaffordable price for a life-changing drug and get a huge increase in

its revenue. Vertex reported that its net income more than doubled in the last quarter from $158 million to $337 million. It said that the jump in profits was

"largely driven by the strong growth in total CF product revenues".

It is frankly disgraceful that we live in a world so driven by profit-making and the market that such companies can hold lives to ransom in that way. I challenge Vertex to waive confidentiality so as to give evidence for its claim to have made

"the best offer in the world"

to the NHS.

The NHS has made its proposals public. That big pharmaceutical firm must do the same if it is to have any chance of having the public's confidence that it is behaving in an ethical way. Failing to do so only helps to build the case against the continuation of the marketised pharmaceuticals industry in its current form. Perhaps it is time for Government to reconsider their role in the sector and to intervene, with legislation or by other means, to prevent such situations, where profit margins become the primary concern, rather than the lives of children who suffer from CF, like Elle.

6.6 pm

Karl Turner (Kingston upon Hull East) (Lab): It is a pleasure to see you in the Chair, Mr Hanson. I am grateful to be called to speak in this incredibly important debate on behalf of my young constituent, Oliver Ward, who is seven years of age. I raised the issue in Prime Minister's questions last week, and I intend, if I get the opportunity, to raise it with the Prime Minister again before she leaves No. 10 Downing Street.

I want to pay tribute to Oliver and to his mum, Emma Gadie, who has campaigned tirelessly on CF. In particular, she has raised the issue of the battle with Vertex for Orkambi. She says her little boy is her hero, and has described his daily routine, which includes taking up to 23 pills a day, and having incredibly rigorous physio just to be as normal as he can be during the day.

It seems to me that the situation is a perfect example of predatory capitalism. Vertex has a turnover of $45 billion, and the chief executive rakes in something of the order of £15 million a year—I think I am right in saying that he has £100 million in share sales to his name—and yet he is holding the NHS to ransom. People are literally dying while the business behaves in an intolerable way. I saw a tweet recently in which Vertex was celebrating its 30th birthday, but some sufferers do not make it beyond 31. It is utterly despicable. I try to be non-partisan and non-party political about it, but it is about time the Secretary of State got into a room with Vertex, NHS England and NICE and sorted it out.

The Prime Minister said on 16 May last year that she expected a "speedy resolution" to the situation. Frankly, the Secretary of State, the right hon. Member for West Suffolk (Matt Hancock), should spend more time sorting out this incredibly important issue than travelling around the country trying to ingratiate himself with Tory party members in order to get himself into 10 Downing Street. This is appalling. It is not going away—hon. Members on both sides of this House are not going to let it go away—and the Minister must take action following this debate.

6.10 pm

Clive Lewis (Norwich South) (Lab): It is a pleasure to serve under your chairmanship, Mr Hanson. I add my thanks to the hon. Member for Sutton and Cheam (Paul Scully) for securing this debate.

I will focus on two key things: asking the Minister a series of questions on potential remedies for this situation, but also using my time to speak about Rachael and Ethan, a mother and child in my constituency who are forced to live with the realities of cystic fibrosis every day, and the adverse impact that the actions of the company Vertex are having on their lives. Ethan is 11 years old. He has a big smile and loves pizza, trampolining and spending time with his friends, but sadly that is where the similarity to other 11-year-olds ends, since every day his life and that of his mum Rachael are dominated by the strain of dealing with cystic fibrosis.

To put this in context, because his lung function has declined to just 54%, in the past four weeks alone Ethan has coped with two separate full-day hospital admissions, 14 days of intravenous antibiotics, which are administered by his mum twice a day at home and take 45 minutes each time, and two sessions with a psychologist to help him to overcome needle phobia brought about by years of blood tests. All that is on top of his regular daily cocktail of medication and a physio session of a minimum of 22 minutes every day. Yet none of those treatments are designed to cure Ethan. They are simply designed to treat his symptoms—symptoms that are expected to get worse the older he gets. They attempt to slow down the irreversible lung damage that will slowly cause him to suffocate. He knows that. In 2017, half of all people who died with cystic fibrosis were under the age of 31, as has already been stated. It is a statistic that his mum Rachael is only too aware of as she spends the majority of her time caring for her son.

We know that Vertex drugs could change the lives of cystic fibrosis sufferers and their families, since they fix the underlying genetic mutations that cause the condition, but, as we have heard today, Vertex is more interested in 45% investor returns than in 20%. That seems to be its priority. Although the chronic underfunding of the NHS is a contributing factor in this story, it is by no means the only reason why a deal has not been reached. The unforgivable actions of Vertex Pharmaceuticals, which admittedly does important work in research and development relating to the treatment of cystic fibrosis, mean that it continues to put patients' lives at risk as it seeks to extract the highest possible price from our NHS. When Alexander Fleming created penicillin, he had it publicly patented so that it was accessible to all, and it became a revolution in modern medicine. Should we not be legislating for pharmaceutical companies to do something similar and put patients, not profits, at the centre of their development?

I have a number of questions for the Minister. How do we approach this matter systematically, so that we are not back here time and time again, as we have heard? The reality is that we have a socialised—dare I say socialist—healthcare system, which treats people's health on a collective basis, based not on their ability to pay, but on their need. That is quite revolutionary. However, that healthcare system operates in an international pharmaceutical industry based on rapacious profiteering. How do we square that circle? I suggest the answer lies at the European level, not the US level. Ultimately, the

[Clive Lewis]

EU's being one of the biggest healthcare markets in the world gives the European Union immense clout in imposing its will on international pharmaceutical companies; that is one of the reasons I want to stay in it.

My other question is a philosophical one: what is a fair price for years of investment and research? Who determines what is a fair price—our collective democracies, which enable these companies to exist, or a handful of corporate executives whose primary motivation is to maximise profit? Who determines that price? At the moment, I do not think that the balance is correct.

Finally, has the Minister considered the use of compulsory licensing, allowing a UK company or other company to make cheap generic copies? That is allowed under World Trade Organisation rules; the definition of an emergency is up to the host country that needs to use it, and from initial research it is something that could be used and has been used before. I know that is not something she would want to do initially, but ultimately, would she consider it if Vertex refuses to move?

I will leave hon. Members with a quote from Ethan, who had his 11th birthday on 5 June. He said:

"I want to live a long life, because then I get to see some things and do things, so please fund The Triple".

6.15 pm

Jim Shannon (Strangford) (DUP): I congratulate the hon. Member for Sutton and Cheam (Paul Scully) on setting the scene so well for us, and all the right hon. and hon. Members who have made such fantastic contributions on a subject in which we all have a deep interest.

This is an issue that I have spoken on many times in this Chamber and indeed outside it. I have received emails from constituents with photos of their children, begging me to do something to give these precious little ones a better quality of life. If ever we needed to be reminded of the importance of this for the children, as every hon. Member has said, that is such a reminder.

Let us be clear: cystic fibrosis is not only, tragically, a life-limiting disease, but a disease that massively impacts on the quality of life and the life experiences of the sufferers and their families, because the families live the children's tragedy as well. Cystic fibrosis is one of the UK's most common life-threatening inherited diseases. It is caused by a defective gene carried by one person in 25, usually without their knowing it. That is more than 2 million people in the UK, and if two carriers have a baby, the child has a one in four chance of having cystic fibrosis.

Around 10,400 people in the UK have cystic fibrosis; that is one in every 2,500 babies born. It affects some 100,000 people in the world. According to the most recent report from the UK Cystic Fibrosis Registry, based on people with CF who were recorded as alive from 2013 to 2017, half of people born with cystic fibrosis in 2017 were expected to live to at least 47, but the 132 people with CF who died in 2017 had a median age of 31. That is a massive difference and we cannot ignore it.

Parents are begging me, begging us, begging this House to ensure that those years are of the best possible quality. After numerous trials, some carried out with Northern Ireland constituents, Orkambi seems to be a drug that does exactly that for many people—enabling the best possible quality of life. My most recent correspondence from Richard Pengelly, the permanent secretary for health in Northern Ireland, outlined clearly that he does not have the power to do what we all need him to do and what he wants to do:

"Let me say that I share your disappointment that the progress in making this drug more widely available has not advanced as we had hoped. At the heart of this matter is the inability of the manufacturer Vertex to come to agreement with the relevant UK Health Technology Assessment bodies."

Mr Gregory Campbell (East Londonderry) (DUP): When we have the most senior civil servant in Northern Ireland, along with NHS England and virtually everyone else who has any dealings with the issue, saying, "Look, we need action, we are powerless to move," does that not throw the ball firmly back into the Government's court to resolve the matter with the company?

Jim Shannon: I thank my hon. Friend for those words. This is not an easy subject for the Minister to respond to, but it is one that has captured the interest of us all on behalf of our constituents, and we need the Government to grasp that and move it forward to the next place. We look for that.

If the Republic of Ireland is able to come to some arrangement with Vertex, if the Scottish Parliament is able to do similar and if, according to the background information, it is possible to go to Argentina and buy a year's course of drugs for one patient at £23,000, compared with £104,000 for a year's supply here, that tells me that something can be done if we had the willpower to do it, as my hon. Friend the Member for East Londonderry (Mr Campbell) has said. We can look around at our UK neighbours and look toward Scotland, whose Government have reached an agreement with Vertex.

The permanent secretary went on to say:

"In the absence of this positive NICE determination, the Health and Social Care Board…may take into account guidance produced by other appropriate HTA"—

health technology assessment—

"bodies based in other UK countries such as the Scottish Medicines Consortium…when making decisions about access to new drugs."

I say to the Minister that I have made a comment about the Republic of Ireland, but I also make a comment about Scotland, because I think that the process enables us to use what Scotland has done as an example for us elsewhere.

The permanent secretary continued:

"The Department is aware that Vertex have re-applied to the SMC for consideration of approval for Orkambi, and that in the meantime there is currently limited access to the drug in Scotland via their PACS"—

peer approved clinical system—

"Tier 2 scheme, which is broadly analogous to our Individual Funding Request Process.

If Orkambi is approved by the SMC, details of the funding models in place, which are currently bound by commercial confidentiality, will be shared with the other UK countries. This will allow for us to have full access to the evidence and costs associated with this therapy and will inform any further decisions on access."

The hon. Member for Colne Valley (Thelma Walker) referred to the destruction of some medications. Whatever the reason for that was—whether they had run out of

time or whatever—I think it is disgraceful that people have destroyed some medicines rather than letting them be used by the general public, by those who need them. If that is not unacceptable in this day and age, I do not know what is. It is absolutely disgraceful; it really annoys me.

It is simply terrible that we are in a position where our hand are tied. I say again to the Government: look to your Scottish counterparts. I firmly believe that we can and must do more from this place and that that must start with acknowledging that the NICE guidelines do not currently take into account the differences, when it comes to pricing, between treatments for rare diseases and a new antibiotic strain. We need a new form of assessment for rare diseases and I would like to see that taking place as soon as possible to ensure that the mummy of my two-year-old constituent, who is asking me for this drug in order to give her child as normal a life as possible, can look forward to securing the best for her child. That is what every Member has said here today on behalf of their constituents.

Again according to the background information that I have, in May 2019 the Government said in response to a parliamentary question that discussions between Vertex, NHS England and NICE were ongoing. You know something? They have been ongoing for more than a year. Let's get them sorted. Time is passing fast. I am joining colleagues in asking the Department to make the administrative changes necessary to end the Orkambi stalemate with NICE and to put in place a body designed specifically to address rare disease patients and their needs. We acknowledge that NICE does a tremendous job in ensuring that safe, cost-effective medicines are available on prescription, but we need a different set-up for those whose illnesses are very different and for the sake of my constituents and those represented by other MPs who have spoken today. I am asking that those decisions be taken and the changes made to enable Richard Pengelly, the permanent secretary at the Department of Health in Northern Ireland, to do what he knows he needs to do and allow the prescription of Orkambi to those whose lives would be radically altered and enhanced by it. It would give them life-changing opportunities. As others have said, give those children a chance.

David Hanson (in the Chair): The previous Chair set a time limit on speeches of six minutes, which has been successful, in that all right hon. and hon. Members have been able to take part in the debate, but it leaves us with a maximum of one hour and 10 minutes for the Front-Bench speakers to respond. Front-Bench speakers, who have more than the normal 10 minutes, can be more flexible and take interventions should they so wish.

The other point I wish to make is that because the winding-up speeches have started early, some Members who have spoken in the debate are not present for these speeches and they should be. If you are watching on television, please return to the Chamber now. This is an important debate; you have contributed to it and you should be present for the Front-Bench responses.

6.23 pm

Marion Fellows (Motherwell and Wishaw) (SNP): It is a pleasure to serve under your chairmanship, Mr Hanson. I thank the hon. Member for Sutton and Cheam (Paul Scully) for setting out in his opening speech facts that a lot of us did not know and facts that some of us did. It was a very useful start to this wide-ranging and well attended debate. I will just ask this question, though: how many times do we have to debate this very serious subject?

Again, I have to declare a personal interest. I am a cystic fibrosis carrier. My late husband was, too. My children are carriers, and my granddaughter, Saoirse Grace, has cystic fibrosis—mutations F508del and D1152H. I do not understand to any great degree what the last part of that actually means, but I do know that she is not the worst sufferer of cystic fibrosis. She has the best kind, if you like. She is pancreatic sufficient, and for that we are always grateful. Saoirse will not directly benefit from Orkambi, but along with 90% of people with cystic fibrosis in the UK, she will benefit from the triple therapy coming down the line. Those therapies will deliver unprecedented improvements in acute lung health and reductions in pulmonary exacerbations—a key driver of decline.

Approximately 900 people in Scotland live with cystic fibrosis. NHS Scotland estimates that one in 24 Scots has a CFTR mutation, which, if carried by both parents, would lead to a child being born with cystic fibrosis. England has the highest prevalence of cystic fibrosis in the world, with 1% of the world's population but 12% of the world's CF population.

There should be no postcode lottery for treatment. The UK Government should follow the Scottish Government's lead on cystic fibrosis treatment. For people in England to receive Orkambi, NHS England would need to pay Vertex £500 million over five years and £l billion over the next 10 years. However, in a debate on CF and Orkambi last year, it was stated that the costs of Orkambi can be offset by reduced hospital admissions, and other benefits should also offset the cost, as has been stated in the Chamber today. Vertex has stated that its offer to NHS England for the provision of its CF drugs represents the lowest price for Vertex's portfolio of CF drugs in any country in the world. I point out that I am not here to make a case for Vertex; I am here to make a case for people with CF who need this drug.

The Scottish Government recently announced that NHS Scotland and Vertex Pharmaceuticals had reached a deal to provide interim access to Orkambi and Symkevi, through a system known as peer approved clinical system tier 2, while the Scottish Medicines Consortium reviews the relevant evidence for Orkambi. PACS tier 2, introduced by the Scottish Government in June 2018, involves an individual application for patient access to drugs not recommended by the SMC and not routinely available on the NHS.

The Scottish National party believes that the UK Government need to do more to facilitate interim access to Orkambi and other drugs to treat cystic fibrosis and to get NICE to re-evaluate making the drug more widely available for people living with the illness. In England, NICE said Orkambi was too expensive for the NHS in 2016, and since then Vertex and NICE have been unable to reach an agreement that will bring these drugs to patients. The UK Government are showing a lack of flexibility by only urging Vertex Pharmaceuticals to fully re-engage with the NICE appraisal process and to accept the offer that the NHS made in July 2018. Vertex has said that the methods used by the Scottish Government to obtain the drugs reflect the innovative nature of medicines that have the potential to extend

[Marion Fellows]

life for patients with rare diseases such as cystic fibrosis, and that it is hopeful that, through that process, all eligible patients in Scotland could have access to its medicines soon. If Orkambi and Symkevi are accepted by the SMC, which makes decisions independently of the Scottish Government, eligible patients in Scotland could have access to these precision CF medicines in 2019.

In the interim, Vertex and the Scottish Government have agreed a confidential discount that would be applied to approved PACS tier 2 applications. The Scottish Government also asked Vertex to provide access to the medicines at a discounted price to the list price while they finished the contract negotiations, and Vertex said, "Of course." Vertex stated that it would be willing to do exactly the same thing in England.

There is agreement across the Chamber that Orkambi, Symkevi and Vertex's triple therapy should be available UK-wide. I have no desire to get into the argument between NICE and Vertex in England. I want England to do what Scotland has done. I want children across the UK to get the benefits of these drugs. As has been said, this problem will exist whatever view we hold of Government at the UK level. However, political will must be exercised in the process of getting those with cystic fibrosis the drugs that will improve their lives and futures.

Finally—I will not take too long, Mr Hanson—I give my heartfelt thanks to all the parents and guardians of CF sufferers, and to those affected by cystic fibrosis, for their continuous campaigning and awareness-raising. It is awful that they have to keep doing that. I ask the Minister, please do not let their work be in vain.

6.31 pm

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): It is a pleasure to serve under your chairmanship, Mr Hanson, in this very important debate. I thank the hon. Member for Sutton and Cheam (Paul Scully) for opening this debate on behalf of the Petitions Committee and for his excellent opening speech, in which he took many interventions. I thank all hon. Members for their passionate contributions. I counted more than a dozen speeches by Back Benchers, but I lost count, because I was distracted by the mouse that joined us. Given that it has been such a busy day in the main Chamber, this debate has shown how important this issue is to the House, as well as to all our constituents who have signed this important e-petition.

Access to drugs for patients with cystic fibrosis is an issue that is incredibly important to us all. I congratulate, in particular, my hon. Friends the Members for Bristol East (Kerry McCarthy) and for Jarrow (Mr Hepburn), and the hon. Member for Dudley North (Ian Austin) on their tireless campaigning on this issue, along with patients, campaigners and charities, such as the Cystic Fibrosis Trust. I commend the trust for its expert briefings and support to patients and their families over many years.

Finally, I thank the 108,144 people who signed this e-petition, 310 of whom live in my constituency. As has been said, we debated a similar e-petition in March 2018, and there have already been five parliamentary debates about access to such medicines. I hoped, as others did, that by now cystic fibrosis patients would have access to the drugs that they need and deserve. Unfortunately, that has not been the case.

Just over a year ago, on 16 May 2018, in response to a question from my hon. Friend the Member for Erith and Thamesmead (Teresa Pearce), the Prime Minister called for a "speedy resolution" to the crisis. However, the only speedy thing has been the deterioration of the health of cystic fibrosis sufferers while they wait for a resolution of the crisis.

More than 10,000 people in the UK live with cystic fibrosis, and it is thought that around 50% of CF patients could benefit from Orkambi; that is more than 5,000 people. Although that is a lot of people, in NHS terms it is a small cohort. And yet Orkambi is still not available to patients, despite being licensed for use in the UK since 2015.

The UK is currently a world leader in cystic fibrosis outcomes, but that is changing. People with cystic fibrosis are physically sicker than they would be if these medicines were available to them. NHS England continues to make offers to Vertex, including the largest ever financial commitment in its 70-year existence, but that was rejected. Since then, an even better offer has been made, but again Vertex has been unwilling to accept it.

I know that that is frustrating for patients and their families, who have waited years for access to these life-saving drugs. We are all frustrated on their behalf. As my hon. Friend the Member for Colne Valley (Thelma Walker) Valley mentioned, in March it was reported in the news that nearly 8,000 packs of Orkambi had been destroyed because they were past their sell-by date. That would have particularly stung patients and their families. Those drugs were valued by Vertex at £104,000 per patient per year. With my limited maths skills, I reckon that means that more than £60 million of drugs were destroyed by Vertex—drugs that could have been given to patients.

It is an outrage that Vertex would destroy so many packs of a life-saving drug while in a cost dispute with NHS England. So many patients could have benefited from those drugs. It was spiteful of Vertex to watch those drugs go out of date so they would have to be destroyed. In the midst of all that, Vertex reported a 40% rise in its revenues, with net income doubling in the previous quarter. I am sure I am not alone in feeling shocked and angry at that.

By refusing to play fair with NHS England, Vertex is holding lives at ransom, and patients and their families are the ones left suffering. Therefore, I was not surprised by the feature on "Newsnight" last week about parents and families establishing a cystic fibrosis buyers' club to buy the generic drug Lucaftor from Argentina. The stress and frustration that families face because of Vertex mean that they now feel they have no other option but to take matters into their own hands.

Laura Smith: It is great to hear my hon. Friend's response. It seems perverse to me that the interests of big pharmaceutical companies can hold such enormous sway in this country, to the extent that cystic fibrosis sufferers can be left without their treatment—treatment that has the potential to prolong their lives significantly.

Mrs Hodgson: I agree with my hon. Friend. I hope that the Minister will have some ideas about how this drug company can be held to account and not be allowed to continue in this way. I hope the Minister agrees that the situation should never have been allowed to get to this stage.

Lucaftor has the same active ingredients as Orkambi, and the Argentinian pharmaceutical company Gador is offering a price of £23,000 per patient per year, which drops to £18,000 if patients and their families can get together a group of more than 500 patients to purchase Lucaftor as a collective. That is significantly lower than the £104,000 Vertex wants for Orkambi. I say "want" deliberately—it is not the cost, but what Vertex wants. Of course, for many patients in the UK, Lucaftor will still be way too expensive to access, so it is not a feasible alternative at all. That is why NHS England and Vertex need to come to a conclusion that puts cystic fibrosis patients first, and ensures that they have access to the life-saving drugs they need and deserve.

Kerry McCarthy: I thank my hon. Friend for all her support on this issue. I agree that the issue with the Argentinian solution is that in a buyers' club where people have to pay privately, the drugs will still be out of reach for many people. However, the fact that Gador is offering this drug for so much less than Vertex is charging for a similar product means that the NHS could, if it decided to trial the drug, buy it for 4,000 patients who would benefit from Orkambi. Therefore, no one would have to pay for it privately. The NHS could fund it, but at much less than Vertex is asking for. I ask the Minister: why is that not the solution?

Mrs Hodgson: I was going to come on to that, but if a point is worth making once, it is worth making twice. I will make it to the Minister as well, so she will have plenty of time to think about it.

As we all agree, patients and their families should not be put in the position—as some are—of having to pay thousands of pounds for their treatment. Family income should not determine who lives and who dies. That is why the NHS was founded—so that all could have access to the same excellent treatment, regardless of means. That was true 70 years ago when the NHS was formed, and it is still true today.

As the hon. Member for Sutton and Cheam pointed out, our NHS is there for us all and should not be held to ransom by a pharmaceutical company, but neither should access be denied because of unfit processes and systems in the NHS. Over the years, as a shadow public health Minister, I have met many patient groups, including those with cystic fibrosis, who are missing out on life-changing medicines because their condition is not rare enough and is therefore not deemed by NICE to be cost-effective. We need an appraisal process that is fit for purpose and that will capture rare diseases such as cystic fibrosis effectively.

Without drugs such as Orkambi, patients and their families are being harmed physically and psychologically. Every day without the drugs that patients need makes their condition worse and threatens their lives. What steps will the Minister take to ensure that patients with rare diseases have access to the medicines that they need and deserve? It is about access not just to Orkambi, but to other precision medications such as Symkevi and the next generation of cystic fibrosis drugs that could help patients who are suffering.

Vertex recently announced the headline results for its fourth cystic fibrosis medicine, a triple combination therapy that could radically transform the lives of nine in 10 people who live with cystic fibrosis in the UK, delivering unprecedented improvements in acute lung health. That is amazing news, but patients fear that they will never be able to access this ground-breaking drug. I urge Vertex to put patients first and consider the real-life impact of this cost dispute on patients and their families.

Vertex and NHS England must come to an agreement urgently, because patients have already waited far too long. If an arrangement cannot be made soon, will the Minister personally step in and pursue the alternatives that my hon. Friend the Member for Bristol East mentioned, such as a Crown use licence or a clinical trial? Cystic fibrosis patients need urgent access now to the drug that they have been denied for three years. It is time the Government considered all alternatives.

6.42 pm

The Parliamentary Under-Secretary of State for Health and Social Care (Seema Kennedy): It is always a particular pleasure to serve under your chairmanship, Mr Hanson. I thank my hon. Friend the Member for Sutton and Cheam (Paul Scully) for opening the debate on behalf of the Petitions Committee. I pay tribute to the more than 100,000 people who signed the petition, and I thank all right hon. and hon. Members who have spoken in the debate; I am sure that they will be rushing back for the wind-ups.

I have been very touched by the stories that we have heard today and the compassion shown by my hon. Friend and all hon. Members in speaking about cystic fibrosis and its physical effects, emotional effects and effects on mental health for those who live with it and for their families. It is a debilitating condition, and I know how absolutely desperate sufferers and families are for access to treatments.

I recognise the great work undertaken by the Cystic Fibrosis Trust and its strong voice in supporting families and bringing cystic fibrosis to the attention of parliamentarians. I also pay tribute to my young constituent Lucy Baxter, who was on "BBC Breakfast" this morning and who lives with cystic fibrosis. She spoke to me very soon after I became a Member of Parliament and is an absolute inspiration to me and to the whole cystic fibrosis community.

Today's debate has been heartfelt and passionate. The stories that we have heard clearly make the case that Orkambi and other drugs for people with cystic fibrosis should be available on the NHS at a price that is fair and affordable. The Government and I share that view. As the Chair of the Health and Social Care Committee, the hon. Member for Totnes (Dr Wollaston), set out so clearly, we must remember that the NHS must use its budget fairly for the good of all patients. That is why we rightly have a system whereby experts, not politicians, determine the fair price for medicines, based on robust evidence. That system has helped many thousands of patients to benefit from rapid access to effective new medicines.

Karl Turner: Forgive me, but I genuinely do not know the answer to this—I find it completely confusing. If the Republic of Ireland and Scotland can get an interim agreement, why cannot we sort this out for patients here in England?

Seema Kennedy: I will talk about the interim measures, but I think the more important thing that we need to grip is having a permanent solution for everybody living with cystic fibrosis.

[Seema Kennedy]

Throughout the negotiations, which are rightly being led by NHS England, the Government have been crystal clear that Vertex must re-engage with the NICE process. I know that hon. Members have questions about that process, and I will try to address some of the points that have been raised. The hon. Member for York Central (Rachael Maskell) raised more detailed points for me to consider; if I do not address them, I will write to her with more detail, but there are some points about the NICE process that I will address later in my remarks.

Jim Shannon: Would it be possible for the Minister to give her Department's and her own opinion on the buyers' group that is seeking to buy similar drugs from Argentina for cystic fibrosis? Have the Government given that possibility any consideration?

Seema Kennedy: I shall turn later in my speech to that specific avenue that some sufferers have gone down.

Dr Wollaston: The Minister referred to the importance of Vertex engaging with NICE. Does she share my concern that when I wrote to Vertex and NICE about the failure to make progress, Vertex assured me that it had contributed "substantial new evidence" on the three products in question, yet I subsequently heard from NICE that it had received only

"an overview of the clinical evidence",

rather than genuine engagement? Will she join me in calling on Vertex to properly engage with the process, so that we can get the full evidence base on which to make these decisions?

Seema Kennedy: I agree with the Chair of the Health and Social Care Committee and urge Vertex to re-engage with the NICE process. To date, unfortunately, it has continued to refuse to accept the process or has suggested unacceptable conditions on the NICE value assessment of its product, which would render the outcome meaningless. That comes despite NHS England's latest proposals offering to reimburse Vertex ahead of a positive NICE recommendation, which for a deal of this size is unprecedented; agreeing to implement real-world data collection, as the Committee has called for, to help Vertex to demonstrate the value of its medicines; and offering significantly increased prices in comparison with their offer last July.

NICE has a 20-year history and is internationally renowned and independent. Its methods and processes for the development of its guidance have been in place for 20 years, but it recognises that it needs to evolve. It continues to review its procedures to ensure that they remain fit for purpose; it is now undertaking a review of its technology appraisal methods in line with the commitment in the 2019 voluntary scheme, and it encourages all stakeholders to engage. NICE has recommended 75% of the drugs for rare diseases—some of which I will touch on later—that have been assessed through its technology appraisal programme for the eligible patient population.

Last week, the Association of the British Pharmaceutical Industry made it clear that

"NICE is the cornerstone of NHS efforts to ensure the price being charged by a company represents the value being delivered."

Commenting on the current situation, it said that

"the APBI would always encourage companies to fully engage with NICE at all stages of the process."

Furthermore, it commented on the current structure of NHS England's proposed deal with Vertex, saying that

"the structure of the offer represents exactly the sort of flexibility the industry has been calling for, for some time."

However, Vertex is willing to accept only its own valuation of Orkambi; I draw your attention, Mr Hanson, to comments directed at Vertex by Members from across the House, including those made by the shadow Minister, the hon. Member for Washington and Sunderland West (Mrs Hodgson).

Jeremy Lefroy (Stafford) (Con): I am grateful to the Minister for giving way and I apologise for not being here at the beginning of the debate, because of important statements in the main Chamber.

My constituent William Smith, who is a pupil at Cooper Perry Primary School, has cystic fibrosis. Along with his entire class, he presented me with the facts of his case and with letters to the Government, and they made it quite clear that they expect not only the Government but Vertex to come to a decision on this matter. Is it not absolutely vital that a company such as Vertex should engage with the Government given that the lives and futures of people such as William Smith, my 10-year-old constituent, are at stake?

Seema Kennedy: My hon. Friend makes a very good point. Members from across the House have told very moving stories of their constituents, the lives they lead, and the stresses and the strains put on them by the lack of an agreement on this matter. However, other drug companies are developing medications for rare diseases, and agreements have been reached on those. I will turn to them very shortly.

We can look at what happened in Spain earlier this year, when Vertex did not accept the terms of Spain's health outcome-related proposal. The Spanish proposal, which is similar to the recent NHS England offer, is based on the ongoing collection and interpretation of real world data. Why is that not acceptable to Vertex? I also note that dialogue between Spain and Vertex has been ongoing for three years, which is similar to the situation here in England.

We will never walk away, but Vertex must now agree to engage with NICE and we urge it to accept all the flexibilities that NHS England has put on the table. There is nothing unusual about Vertex that means that this is not the right thing for it to do. Recently, we have seen deals reached as part of the NICE appraisal process, including that for ocrelizumab, which is an innovative multiple sclerosis drug, that for Spinraza, which is for people with spinal muscular atrophy, and that for axicabtagene ciloleucel chimeric antigen receptor t cell, or CAR-T, treatments.

Given that Vertex remains an extreme outlier in both pricing and behaviour, it is no wonder that patients and families have been looking at alternative solutions to secure access to this drug, and we have heard about the buyers' club. Hon. Members have also talked about Crown use licensing, and the hon. Member for Bristol East (Kerry McCarthy) talked about large-scale clinical trials.

Unless Vertex changes its approach and behaves responsibly, I have a moral obligation to look at these other options. Of course NHS England and NICE will

carry on the negotiations, because a negotiated outcome is the desired option. However, I have no alternative but to look at these other options on the table.

Clive Lewis: I thank the Minister for giving way. I raised the issue of compulsory licensing, which the Government have within their armoury. Of course it would be a measure of last resort, but given that we are dealing with people's lives, the quality of their lives and a company that is quite simply being intransigent, and greedy, surely that option should be considered. That would send a message to those pharmaceutical companies—that global pharma industry—that if they are going to be greedy and put people's lives at risk, despite being made fair offers, this option could be used by our Government.

Seema Kennedy: I thank the hon. Gentleman for his intervention. As my hon. Friend the Member for Sutton and Cheam said in his opening speech, which was very well made, we recognise the importance of British pharmaceutical companies and that companies invest hugely in developing new drugs. However, as the other examples of drugs for rare diseases that I have given show, it is possible to go through the NICE appraisal process and reach an agreement with NHS England. As one hon. Member who is no longer in their place said, this is an offer for a long-term agreement.

Vertex is an outlier, and I would like to put that on the record.

Mrs Hodgson: Will the Minister give way on that point?

Seema Kennedy: Yes, and I hope that I will be able to remember the hon. Lady's question.

Mrs Hodgson: At this point I should clarify, for the benefit of the campaigners who I have spoken to about the Crown use licensing option, that it is not an immediate solution from their point of view; I understand that it would take at least a couple of years. If an agreement can be reached, there would be an immediate outcome. That is why the campaign is called Orkambi Now; it is about trying to get the drug now. Although the Crown use licensing option would be an option to consider if nothing else can be found, it would not give the sufferers and their families the drugs as quickly as we would like.

Seema Kennedy: As always, the shadow Minister makes an excellent point. Crown use licensing is not something that any Government would consider lightly. It is very rarely used in health. It has probably not been used—my officials will correct me if I am wrong—since the 1970s.

The ideal thing is to get a deal, and deals have been done with other pharmaceutical companies; that is the point I want to make. As I have said, Vertex is an outlier in this regard, but that does not mean that I do not have an obligation to look at other options. I will do that.

Kerry McCarthy: Will the Minister give way?

Seema Kennedy: Can I just make a tiny bit of progress first?

Kerry McCarthy: It is on this issue.

Seema Kennedy: All right, given that we have more than half an hour left.

Kerry McCarthy: I really welcome the fact that the Minister is saying so passionately that she feels she has a moral obligation to act. The question is: when? I say that because Vertex has been in these talks for a very long time now. How much longer will it be given before the Minister decides to look at the other options?

Seema Kennedy: Well, I have already said it, so I suppose that means—

Kerry McCarthy: When?

Seema Kennedy: Now. We will look at other options to consider what other methods we can use. As the hon. Member for Washington and Sunderland West said, Crown use licensing has other risks, so the best option is to get a deal. However, we will look at other methods that might enable families to receive the drugs they need.

Some Members have said that Orkambi is available in other countries and asked, "So why not here?" Although that is true, it is also true that other countries have faced problems in agreeing an acceptable price with Vertex; around 50% of the global cystic fibrosis population is unable to access Orkambi. It is not approved for reimbursement in Spain, which I have touched on, or in Portugal, and it is not used routinely in France. It is also of note that the Canadian equivalent of NICE has rejected the drug, saying that the benefit of Orkambi is small and uncertain.

We do not have sight of specific commercial agreements where Orkambi is approved and we do not have the same population needs, as we know, because of the specific population that the UK has; compared with other countries, the UK has a very high proportion of people with cystic fibrosis. So I am not able to make comparisons with other countries. Cystic fibrosis affects about 10,500 people in the United Kingdom—a far higher figure than in other countries. It represents 12% of the global cystic fibrosis population. The UK is a very important market for Vertex.

I thank all Members who have spoken so passionately here today. In particular, I thank the people who have joined us here in the Gallery; I pay tribute to them for all that they do to support their family members. I also thank those people, such as Lucy Baxter, who work so hard to raise awareness of this issue. I thank members of the Health and Social Care Committee, which is carrying out a very thorough and transparent inquiry into this issue, helping to shine a light on it.

As we have heard in great and moving detail today, cystic fibrosis is a devastating, life-limiting condition, and the bravery of those affected should be an inspiration to us all. Drugs that improve sufferers' quality of life should be available where appropriate, and I urge Vertex to do everything it can to price its medicines fairly and in a way that reflects the health benefits to patients.

NHS England and NICE will, of course, continue their efforts to reach an agreement with Vertex. Access to treatment for all patients is, and always will be, a priority for this Government. My Department has a moral obligation to look at other options now, and that is what we shall do.

6.59 pm

Paul Scully: You have joined us halfway through the debate, Mr Hanson, and it is a pleasure to serve under your chairmanship.

[Paul Scully]

I thank all colleagues across the Chamber for their contributions. I thank the Cystic Fibrosis Trust for pulling together such a fantastic and insightful meeting this morning, and all those who participated, including the Minister's constituent, Lucy Baxter. Lucy described cystic fibrosis phenomenally well, capturing it in one sentence: it is like breathing through a straw and then going running. It is that tiny lung capacity that really starts to illustrate the issue that these people live through, from day to day.

We have heard a lot about NICE and possible changes for that portfolio drug—system proposals. We have heard a lot about the need for Vertex to yield somewhat in the negotiations; as the Minister said, it is the outlier. I caution colleagues as they look at the alternatives, whether Crown use, compulsory licensing or a buyers' club. Yes, we need those weapons in our armoury for the negotiations, but there is always the possible unintended consequence of fallout—the risk for future research into rare diseases of all sorts—if we start to undermine a market that clearly, however, needs to be looked at in relation to big pharma and how it can hold the NHS over a barrel. We just have to be careful about unintended consequences.

I also thank Alasdair Mackenzie, the Community and Outreach Engagement manager for Parliament. He joined me this morning at the deliberations with the Cystic Fibrosis Trust because of his personal interest. His partner, Becky, died of cystic fibrosis just a few years ago. His insight, and his sharing of Becky's experience, were invaluable to me in my contributions this morning.

I wish, again, to put on the record my thanks, and to give all speed to the Minister, NICE and NHS England in our negotiations with Vertex. I hope that we can bring this matter to a resolution and give that life-saving drug—that quality-of-life drug—to all those thousands of people across the country as soon as possible.

Question put and agreed to.

Resolved,

That this House has considered e-petition 231602 relating to access to Orkambi and other drugs for people with cystic fibrosis.

7.1 pm

Sitting adjourned.

Written Statements

Monday 10 June 2019

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

Low-Carbon Generation: Smart Export Guarantee

The Minister for Universities, Science, Research and Innovation (Chris Skidmore): I am pleased to announce I will be laying legislation today to introduce a new supplier-led subsidy free Smart Export Guarantee (SEG). This will ensure that homes and businesses, who export their surplus low carbon electricity to the grid, will be able to receive payment from their energy suppliers. The SEG will come into force in Great Britain from the end of December this year.

The UK has made substantial progress in building a successful renewables industry as part of our move to a low carbon economy. In 2017, businesses active in the low carbon and renewable energy economy generated £44.5 billion in turnover and employed an estimated 209,500 full-time equivalent employees. Our modern Industrial Strategy sets out how the Government will ensure that the UK continues to benefit from the transition to a low carbon economy.

Developments in technology and the industry, supported by the Government, have driven down the cost of small-scale low carbon electricity generation to a position where some projects can now be built without subsidy. This is in line with our vision that electricity generation should be competitive, and market based.

However, from responses in our call for evidence in July last year[2], it was clear small-scale generators can struggle to access the electricity market, while some larger suppliers are unfamiliar with smaller players in the sector. Responses suggested that following the closure of the Feed in Tariffs Scheme (FITs), some form of Government intervention remains necessary while markets for small-scale low carbon generation are still emerging.

The SEG will address this by requiring licensed electricity suppliers to offer a tariff for electricity exported by small scale low carbon generators, such as households with solar panels. This means small scale generators will be able to fully participate in the UK electricity market. This new requirement will apply to suppliers with more than 150,000 domestic customers. Other smaller suppliers can also voluntarily participate in the SEG.

Other than a few core conditions, such as payments having to always be greater than zero, this policy is market-led. The rates paid to the small power producers will be determined by the market rather than set by Government. This is unlike the FITs, which was funded through levies on consumers' energy bills.

The SEG will complement the deployment of smart, flexible technologies such as storage and demand-side response. A smart and flexible system could save £17-40 billion across the electricity system to 2050[3]. The policy will encourage electricity to be sold at the times when it is most needed and market prices are highest.

Previously, the amount of electricity exported by small scale generators has often been unmeasured and flowed to the grid without metering. The rollout of smart meters allows a more precise approach, which in turn will make it easier to manage the electricity system as the number of small scale generators, as well as electric vehicles and small-scale storage batteries, increases.

Suppliers will also be free to choose the form of the tariff they offer and be encouraged to try different approaches, provided they meet the SEG requirements. This will allow simple tariff offers to be implemented quickly, with an expectation that increasingly smart approaches will be implemented.

The deadline for compliance will be from the end of the year to provide enough time for suppliers to make necessary system changes to operate the SEG. This will not preclude suppliers from offering export tariffs in advance of the deadline, as some are already doing.

To ensure that the market is delivering meaningful and innovative tariffs, Ofgem will report annually on the provisions made by suppliers for small-scale exporters. This will include the range, nature and uptake of SEG tariffs. If we consider that insufficient progress is being made, we will consult on reviewing the operation of SEG.

The SEG will ensure that small-scale low carbon generators are reimbursed for the electricity they export to the grid and can act as a springboard to the development of a robust and competitive market solutions. SEG allows the private sector to innovate and invest, while small-scale generation technologies can compete on their own merits. We expect that the electricity market to grow smarter and more flexible, and consumers will be offered an increasing range of innovative smart products and services. These services will support the integration and optimisation of onsite low carbon generation.

I will place in the Libraries of both Houses, copies of the "Government response to the consultation on proposals for the future development of small-scale low-carbon electricity generation" which sets out further information on the SEG.

1 Final results from the Low Carbon and Renewable Energy Survey on the low carbon and renewable energy economy in the UK, including direct and indirect activity, employees and turnover, available at:

https://www.ons.gov.uk/economy/enviromentalaccounts/bulletins/finalestimates/2017

2 The future for small-scale low-carbon generation: a call for evidence (July 2018) at: https://www.gov.uk/government/consultations/the-future-for-small-scale-low-carbon-generation-a-call-for-evidence

3 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/568982/An_analysis_of_electricity_flexibility_for_Great_Britain.pdf

[HCWS1609]

FOREIGN AND COMMONWEALTH OFFICE

Great Britain China Centre: Tailored Review

The Minister for Asia and the Pacific (Mark Field): I am announcing today the publication of the recent tailored review of the Great Britain China Centre (GBCC), an arm's-length body of the Foreign and Commonwealth Office (FCO).

The GBCC was established in 1974 and focuses on strengthening the UK-China relationship by "building trust and supporting dialogues between Government, judiciary and policy makers on key rule of law and reform issues". Since 1974, it has played an important part in delivering UK expertise on democracy and democratic institutions.

The principal aims of tailored reviews are to ensure public bodies remain fit for purpose, are well governed and properly accountable for what they do.

In conducting this tailored review, officials engaged with stakeholders in the UK and overseas, including across UK Government, civil society, as well as with GBCC's board, staff and management.

The review concluded in April 2019.

The review found that "GBCC continues to perform an important function in the UK-China relationship; makes a positive contribution to UK priorities in China; and represents good value for money for the taxpayer". The review also contains a number of recommendations to strengthen GBCC's governance and its relationship with the FCO.

Copies of the review will be placed in the Libraries of both Houses.

[HCWS1607]

HOME DEPARTMENT

Immigration: DNA Evidence

The Minister for Immigration (Caroline Nokes): Today I am announcing the publication of the Home Office response to Darra Singh's review of the Home Office response to the mandating of DNA for immigration purposes. The Home Secretary commissioned this review to provide independent oversight of the effectiveness of remedial action taken by the Department when the incorrect mandating of DNA evidence came to light last year.

The review recognises the considerable efforts made by the Department, once the issue came to light, to assess the scale of the problem and prevent its recurrence, and to identify those affected and take remedial action, including reimbursing DNA testing costs where appropriate. The review acknowledges that good progress has been made to update guidance on DNA and to provide training on this issue.

While the review acknowledges the hard work behind the immediate response, it comments that the effective direction provided by the critical incident process could have been put in place at an earlier stage. The review also identifies areas where the Home Office's approach to sampling, data collection, and assurance in this instance could have been improved.

The Department accepts the recommendations made in the report and has already taken action on them. Furthermore, beyond this specific issue the Department is focused on meeting the individual needs of the public we serve by improving customer service, ensuring we better protect the vulnerable and focusing on becoming more of a listening organisation.

I will arrange for copies of the report and Home Office response to be placed in the Libraries of both Houses.

The Home Secretary and I would like to thank Darra Singh for his considerable effort in producing the report and its recommendations.

[HCWS1610]

WORK AND PENSIONS

Employment, Social Policy, Health and Consumer Affairs Council

The Minister for Employment (Alok Sharma): The Employment, Social Policy, Health and Consumer Affairs Council will take place on 13th June 2019 in Luxembourg. Kelly Tolhurst, Parliamentary Under-Secretary for the Department for Business, Energy and Industrial Strategy, will represent the UK.

The Council will be provided with a progress report on the directive on equal treatment. Conclusions will be presented to the Council for adoption on: Closing the gender pay gap; implications for the safety and health of workers in the changing world of work; and the EU Council Auditors' report on the Fund for European Aid to the Most Deprived (FEAD).

Under the agenda item on the European semester agenda item there will be a high level policy debate on the employment and social policy aspects of country specific recommendations.

Under other business, the presidency will give updates on current legislative proposals: a regulation on European social statistics and revision of the regulations on the co-ordination of social security systems. Information will also be provided on presidency conferences, gender balance on company boards and the work programme of the incoming Finnish presidency. The Maltese delegation will provide additional information on the outcome of the EU-Arab high-level meeting on disability rights and prioritising gender budgeting in the future multiannual financial framework.

In the margins of the meeting, representatives of the Government of each member state will make a decision on which member state will host the European Labour Authority.

[HCWS1608]

Ministerial Corrections

Monday 10 June 2019

EDUCATION

Authorised Absence from School

The following is an extract from the Westminster Hall debate on Authorised Absence from School on 5 June 2019.

Nick Gibb: I am grateful to my hon. Friend and other hon. Members for highlighting the issues around school attendance. To answer my hon. Friend's question about how the money is spent, the requirement is for it to be reinvested in the attendance system in the local area. The system is intended to be cost-neutral. Many areas spend it on supporting projects to improve school attendance locally.

[Official Report, 5 June 2019, Vol. 661, c. 144WH.]

Letter of correction from the Minister for School Standards:

An error has been identified in the response I gave to my hon. Friend the Member for St Austell and Newquay (Steve Double).

The correct response should have been:

Nick Gibb: I am grateful to my hon. Friend and other hon. Members for highlighting the issues around school attendance. To answer my hon. Friend's question about how the money is spent, the requirement is for it to be reinvested in the attendance system in the local area. The system is intended to be cost-neutral. Many areas spend it on **supporting enforcement projects** to improve school attendance locally.

INTERNATIONAL DEVELOPMENT

Topical Questions

The following is an extract from International Development questions on 6 June 2019.

T3. [911180] **Liz Twist** (Blaydon) (Lab): For the past 25 years, the UK has rightly been committed to ensuring that aid spending is untied from commercial interests. How does the Secretary of State explain the ONE Campaign's research that found that almost £475 million of UK aid was still effectively tied?

Rory Stewart: We are very clear that we do not tie aid spending. There may be situations in which it is beneficial. For example, we have just put £70 million into British universities to find a universal cure for snake bites. That is a very good example of how we can solve a global public health problem through investment in British universities, but that is not tied aid; it is because British research and development, particularly the Liverpool School of Tropical Medicine, is the leader in this area.

[Official Report, 6 June 2019, Vol. 661, c. 268.]

Letter of correction from the Secretary of State for International Development:

Errors have been identified in the response I gave to the hon. Member for Blaydon (Liz Twist).

The correct response should have been:

Rory Stewart: We are very clear that we do not tie aid spending. There may be situations in which it is beneficial. For example, we have **put more than £70 million** into **research, including with British universities,** to **develop new drugs, such as a universal cure for snake bites**. That is a very good example of how we can solve a global public health problem through investment in British universities, but that is not tied aid; it is because British research and development, **such as at the** Liverpool School of Tropical Medicine, is **a leader** in this area.

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