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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Tuesday 11 June 2019

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

The Secretary of State was asked—

Electric Vehicles

1. **Antoinette Sandbach** (Eddisbury) (Con): What recent steps his Department has taken to support the development of electric vehicles. [911243]

13. **Glyn Davies** (Montgomeryshire) (Con): What recent steps his Department has taken to support the development of electric vehicles. [911255]

The Secretary of State for Business, Energy and Industrial Strategy (Greg Clark): In May I announced an additional £28 million, from the £250 million Faraday challenge, for the UK Battery Industrialisation Centre, where industry will test next generation world-leading technologies.

Antoinette Sandbach: Does the Secretary of State agree that for electric vehicles to thrive additional capacity will be required, and that energy efficiency measures to bring every home to an energy performance certificate C standard are vital in delivering that, as they will reduce energy consumption by 25% and free that capacity for electric vehicle use?

Greg Clark: I completely agree with my hon. Friend. She is right to point out the connections between our energy systems and the future of mobility in how we drive cars. That is why the industrial strategy sets up both as grand challenges and why the Faraday Challenge addresses both of them.

Glyn Davies: The Welsh Government are also promoting the development of electric vehicles, including the associated network of electric charging points. What steps is the Secretary of State taking to ensure liaison across the border between England and Wales to deliver the best possible distribution of electric vehicle charging points?

Greg Clark: My hon. Friend makes an excellent point. It is clear that if drivers are to have the confidence that they will be able to charge their vehicles, every part of the United Kingdom needs to be a part of that.

My hon. Friends and I have regular discussions with the Welsh Government, and the roll-out of the charging network is in all parts of the United Kingdom.

Alison McGovern (Wirral South) (Lab): The Secretary of State knows that many of my constituents work in the automotive industry and how serious the situation is with Brexit. Constituents are writing to me to ask why there are so few charging points in the Wirral. This is a huge issue. Will he do something that this Government really have control over and take action now on the business rates impact on the automotive industry, so we can at last have some positive news for the automotive industry in Britain?

Greg Clark: I think the hon. Lady knows that I have regular discussions with Vauxhall and its owner PSA. In fact, PSA has invested very substantially. One of its most recent major investments in Europe was to strengthen the Luton plant with the next generation of technology. We talked to it about investment in Ellesmere Port, which she knows is important.

In terms of charging points, we have one of the best charging networks in Europe, but we need to expand it further. As the hon. Lady knows, through the automotive sector deal we have a very close relationship with the industry and work jointly with it.

Chris Elmore (Ogmore) (Lab): May I press the Secretary of State on yesterday's statement from the Secretary of State for Wales in relation to Ford? There is capacity in the Bridgend plant and it would be a very good way to keep it open. Will he work with the Welsh Government to ensure that electric batteries can be constructed at Ford, to help to keep the jobs in and around my community?

Greg Clark: The hon. Gentleman makes an excellent point. I am delighted he was in the discussion that we had yesterday and that he will serve on the taskforce that has been established. The quality of the workforce, its facilities and connections represent a fantastic opportunity for new investment, whether by Ford or by others in the automotive sector. We work very closely to bring in those investments.

Richard Harrington (Watford) (Con): I commend the Secretary of State and the Department for the Faraday challenge and the development of battery technology. However, does he agree that to have successful battery technology in the UK we need a successful automotive manufacturing sector, and that to do that we need a very close relationship with the EU for frictionless trade and everything that goes with it?

Greg Clark: My hon. Friend is right. In his time, he worked very hard to secure some of the investments that have been made. The automotive industry, along with many others, has always been clear that the strengths of the UK are at least in part drawn from our ability to export and import components very flexibly without delay. It is vital that that should continue.

Alan Brown (Kilmarnock and Loudoun) (SNP): Sales of electric cars in the UK in 2018 hovered at just 2.7%. In Norway, they rose to 31.2%, up from 20.8% in 2017. What lessons can the UK learn from a successful, driven, small independent country?

Greg Clark: The take-up of electric vehicles is growing very quickly in this country. The investment that we are making in the charging network, with 17,000 public charging points, is a very important contribution to that. In the weeks ahead, the hon. Gentleman will see further announcements on how we can accelerate the deployment of charging technology.

Mark Pawsey (Rugby) (Con): I wonder whether the Secretary of State has received his invitation to the reveal of Lotus's new electric hypercar on 16 July. It is the world's first electric hypercar—designed, engineered and built in Britain. In a week when the motor industry has had some difficult news, does he agree that this is a great shot in the arm for the UK motor industry?

Greg Clark: It is indeed a great shot in the arm and I hope that I will see my hon. Friend there to celebrate it. It is fair to reflect that this is a difficult, challenging time for the automotive industry around the world, but through the decisions that we took in the industrial strategy to emphasise battery electric vehicles and the new technology, and connected and autonomous vehicles, we have made the right judgment about how to attract the jobs and companies that will be expanding in the future.

Mr Gregory Campbell (East Londonderry) (DUP): Given the ongoing problems in recent years regarding the UK automotive sector and the ongoing problems affecting Tesla, is there not an opportunity for the Minister and the Government to approach Tesla and the UK automotive industry to see whether some acquisition could be arrived at to produce electric cars in this country?

Greg Clark: We have many discussions. Just a few days ago, I had a major potential investor in battery technology in my office to discuss a potential investment. Through the Automotive Council, we work very closely with the sector, and the national battery manufacturing centre is a collaboration between the players in the industry that gives them confidence to be able to invest for the future in the UK.

Mr Philip Hollobone (Kettering) (Con): It is UK Government policy to end the sale of new diesel and petrol cars by 2040, but do we really have to wait 21 years to achieve that objective?

Greg Clark: It is important that we have a realistic move to the new fleet that we need. The targets were adopted in consultation with the industry. A lot of the capital investment needs to take place over a substantial period of time, and I would not want a situation in which we lost jobs and opportunities by setting a target that was not deliverable and feasible for manufacturers.

Rebecca Long Bailey (Salford and Eccles) (Lab): Might I begin by expressing my support for the efforts of my hon. Friend the Member for Leeds West (Rachel Reeves) in bringing forward her Bill today to legislate for net zero emissions by 2050? To achieve that, supporting our automotive industry will be vital, but Ford had warned that leaving the EU would add hundreds of millions to its costs, and after the vote, it said that it was considering closing plants. This warning has come to pass. Ford is

now saying that another 6,000 jobs could be at risk in the event of no deal, which is particularly concerning now that it looks likely that the next PM will actively pursue it. What direct support has the Secretary of State offered Ford to reverse its decision, and has he considered the impact of a no deal on manufacturing when deciding who to back as the next Prime Minister?

Greg Clark: We have led the world and the cross-party consensus across the House on our move to net zero. The hon. Lady will know that just this week, the International Energy Agency described the Government's efforts as

“an inspiration for many countries who seek to design effective decarbonisation frameworks.”

When it comes to Ford and the automotive sector, she is right that companies in the sector have been crystal clear that we need to leave the European Union with a deal that allows us to continue to trade without frictions so that we are able to grasp the opportunities that we will have in the future. All my efforts are directed at securing that deal.

Rebecca Long Bailey: I actually asked about what support had been offered to Ford. Last night I spoke to a Bridgend councillor, who said

“We don't need taskforces, commissions or working groups, we desperately need investment in Bridgend now.”

Sadly, it is not looking like any of the candidates for PM will support our car industry going forward. One thinks he knows more about car manufacturing than the boss of Jaguar Land Rover. Another said that there will be a stronger manufacturing base if we leave. Another denies that Nissan's decision to pull the X-Trail was about Brexit, despite the company highlighting uncertainty; and the one who is allegedly the most reasonable has said that he is prepared to leave without a deal if there is a straight choice. Is it not the truth that whoever takes over as PM will drive manufacturing into the ground with their reckless approach to Brexit and that the Secretary of State's legacy will sadly be decimated industries across our country?

Greg Clark: If the hon. Lady talks to people in the sector, she will know that the work we do with all companies in the sector is well respected and well regarded, whether that is the Faraday challenge or the support for individual companies such as we have seen in recent years. That support is available to Ford just as it is to any company working in the sector. As part of the work we are doing with the Welsh Government, we will attract a new investor to make use of those facilities and keep jobs for the future.

In terms of the relationship with the European Union, most, if not all, automotive suppliers want to see us reach a deal. That is my view, and I hope it is the hon. Lady's view. In fairness, they have also said that the deal negotiated by the Prime Minister should have been approved. It is therefore of regret to me that that advice was not followed.

Intellectual Property

2. **Mr John Whittingdale (Maldon) (Con):** What steps he is taking to increase protections for intellectual property.

[911244]

The Minister for Energy and Clean Growth (Chris Skidmore): As my right hon. Friend is aware, the UK is considered to have one of the best intellectual property systems in the world, and we work continually to help keep that position. The Intellectual Property Office has committed in its recently published strategy to working towards making infringement socially unacceptable. We have commissioned research into consumer attitudes to counterfeit goods in order to assist with that.

Mr Whittingdale: Is my hon. Friend aware that online piracy of video and music content is still doing considerable damage to our creative industries? In particular, beoutQ, based in Saudi Arabia, is stealing content from a wide range of UK rights holders. Will he see what further measures can be taken to tackle this problem? Will he consider including economic harms in the scope of the measures set out in the Government's Online Harms White Paper?

Chris Skidmore: Online piracy of any content is a key concern for the Government. We are aware of the specific issues with beoutQ and raised the matter with the Saudi Arabian Government. We will continue to make representations about its alleged infringement of UK creative content and support efforts to tackle piracy, wherever it occurs. However, the White Paper is to have a targeted approach that focuses on harms to individuals; it is not about economic harm to businesses.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): It is not just in intellectual property where we need better legal protections. My constituent Mr Michael McGrory of Stalybridge recently took his employer to an employment tribunal for unauthorised deduction of wages, for breach of contract and for disability discrimination. He won his case but, rather than pay up, the company went into liquidation. The same directors set up the same business in the same premises under a different company registration and name. As a result, Mr McGrory cannot get his award enforced. Does the Minister agree that that is wrong? If so, how might we change the company formation process to stop that happening?

Chris Skidmore: I have great sympathy with the hon. Gentleman's constituent. Obviously, we provide funding for the police intellectual property crime unit, which has seen 94 investigations and arrested or voluntarily interviewed 106 individuals recently. The maximum criminal penalties for copyright infringement have increased since 2017 from two years to 10 years. We are determined to do more, which is why we have a conference with the World Intellectual Property Organisation in London on 18 and 19 June, because we need an international response. I absolutely agree with my right hon. Friend the Member for Maldon (Mr Whittingdale): this is an international issue, and we need to ensure that we take action.

Small Businesses: Morley and Outwood

3. **Andrea Jenkyns (Morley and Outwood) (Con):** What recent steps he has taken to support small businesses in Morley and Outwood constituency. [911245]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Andrew Stephenson): In the Leeds city region, 66 businesses in Morley and

Outwood have been directly supported, with £1 million in grant funding to help them create nearly 200 jobs. The AD:Venture initiative, which is available to start-ups in the first three years of trading in the Leeds city region, provides grants of up to £25,000. That is alongside a range of other support including academic support and coaching.

Andrea Jenkyns: My hon. Friend will know that in 2017 the UK was the second biggest market in the EU for ultra low emission vehicles. Alfa Power, a company in my constituency, is a fine example of British engagement in the sector. What steps is he taking to further the sector's progress? Next time he is in Yorkshire, will he visit Alfa Power to see the great work it is doing in electric charging points throughout Yorkshire?

Andrew Stephenson: I should be delighted to visit. The Government are investing nearly £1.5 billion until March 2021 to help to grow the market for ultra-low-emission vehicles. Yesterday I was pleased to announce £33 million of funding for the winners of the Advanced Propulsion Centre's 12th competition. These latest projects focus on electrification and the future of low-emission vehicles as we aim to advance the UK's low-carbon capacity.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I am sure that the members of the ministerial team know that Huddersfield and Morley and Outwood are part of the dynamic Leeds city region, but are they aware of the Power Up The North campaign, which was launched this week? It needs to receive a lot of interest. It is intended to help small businesses to grow even faster and go further in our northern constituencies. Will the Minister put his efforts behind it?

Andrew Stephenson: I am delighted about the Power Up The North campaign. I wholeheartedly support it, and I am very pleased that my Department has been bolstered by the addition of the Under-Secretary of State for Housing, Communities and Local Government, my hon. Friend the Member for Rossendale and Darwen (Jake Berry), who will help to further our work on the northern powerhouse. The Government are investing £694 million in the Leeds city region through growth deals, creating up to 10,000 jobs, allowing more than 2,000 homes to be built, and creating up to £640 million in public and private investment.

David Linden (Glasgow East) (SNP) rose—

Emma Hardy (Kingston upon Hull West and Hessle) (Lab) rose—

Mr Speaker: With all due respect to the indefatigability of the hon. Member for Glasgow East (David Linden), it has to be said that Hull is considerably nearer to the geographical sweet spot for the purposes of this question than could ever be said of Glasgow East.

Emma Hardy: Thank you, Mr Speaker. May I draw the Minister's attention to Hull, one of the great cities that are part of the northern powerhouse? He is aware of the appalling way in which some of the people working for Grotto Hire have been treated—those who

were not paid over Christmas. I have met the Under-Secretary of State for Business, Energy and Industrial Strategy, the hon. Member for Rochester and Strood (Kelly Tolhurst), to discuss the issue. What has the Department done to try to recover that money since our last meeting?

Andrew Stephenson: I know that the hon. Lady has discussed the issue with my ministerial colleague. I am not dealing with it personally, but I should be more than happy to have a conversation with my hon. Friend about it and come back to the hon. Lady.

Bill Esterson (Sefton Central) (Lab): The British Retail Consortium has reported that the high-street footfall is at a six-year low. Town centre businesses across the country are closing. Labour has a five-point plan to reinvigorate our high streets, in stark contrast to the Government's worn-out platitudes and failure to act. Precisely when is the Minister going to produce a plan—or will the Government just keep walking by on the other side of the high street?

Mr Speaker: With particular reference to Morley and Outwood.

Andrew Stephenson: John Timpson has produced a plan for the Government, and in successive Budgets we have announced record support for the high street. There is £1.6 billion to help with business rates, and an additional £675 million for the future high streets fund.

Fuel Poverty: North-East

4. **Mr Stephen Hepburn** (Jarrow) (Lab): What recent steps he has taken to tackle fuel poverty in the north-east. [911246]

The Minister for Energy and Clean Growth (Chris Skidmore): As my right hon. Friend the Member for Devizes (Claire Perry) has taken temporary ministerial leave of absence on compassionate grounds, I shall be answering all the questions relating to energy and clean growth today.

The Government made a manifesto commitment to tackle fuel poverty by upgrading fuel-poor homes to energy efficiency band C by 2030. Nearly 800,000 fewer fuel-poor households are living in the least efficient homes than was the case in 2010. We have also refocused the Government's energy company obligation, and thousands of homes in the north-east have been improved as a result.

Mr Hepburn: Because of cruel Tory benefit changes and rip-off prices, fuel poverty in Jarrow has increased by 35% under this Government. Is the Minister proud of the choice that the Tories have given people, between heating and eating?

Chris Skidmore: It should be borne in mind that the fuel poverty metric is relative, which means that the number of people in fuel poverty will always fluctuate between 10% and 12%. It is important to focus on the average fuel poverty gap, which fell to £326 in 2016 from £341 in 2015.

Sarah Newton (Truro and Falmouth) (Con) *rose—*

Mr Speaker: Cornwall is a very considerable distance from the north-east, but I think that the Minister just about broadened the question.

Sarah Newton: We have been making good progress in reducing fuel poverty in Cornwall, but we could really do with some help with supercharging that progress. When will the Government publish their plan to deliver the excellent home energy efficiency targets in the clean growth strategy? If we could do that, it would save people, on average, about £400 a year.

Chris Skidmore: I can confirm that that will be taking place very shortly.

Offshore Wind Supply: Rates of Pay

5. **Alex Cunningham** (Stockton North) (Lab): What steps he is taking to tackle rates of pay in the offshore wind supply chain that are below the national living wage. [911247]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Kelly Tolhurst): In the autumn the Government will introduce legislation to extend the right to receive the national minimum wage to seafarers operating in UK territorial seas. Any business, British or otherwise, benefiting from consumer subsidies and the growth of UK offshore wind has a clear moral responsibility to abide by the spirit of UK employment law, even where operations take them beyond the UK's formal jurisdiction.

Alex Cunningham: I think that is the most helpful answer I have had in this place since I got elected nine years ago so I am grateful to the Minister for that, but why do we have to wait until the autumn when she could introduce secondary legislation and close this loophole now?

Kelly Tolhurst: I thank the hon. Gentleman for his supplementary question. This is a complicated process; I have been working with my counterparts in the Department for Transport and we are committed to delivering this legislation in the autumn. As I mentioned at previous questions sessions, we have also doubled our enforcement on the national minimum wage and are determined to make sure we are tackling all areas where people are not upholding the spirit of UK employment law.

Karl Turner (Kingston upon Hull East) (Lab): It is disgraceful that P&O Ferries is employing Lithuanian cooks sailing from Hull to Zeebrugge on the "Pride of York" at €2.04 an hour. Filipino able-bodied seafarers crewing the "Pride of Hull" are paid \$4.45 an hour. Will the Minister meet me to see what we can do together to stop these predatory capitalist companies taking advantage of foreign crews? This amounts to slave labour.

Kelly Tolhurst: I thank the hon. Gentleman for raising this point, and he is absolutely right: this is unacceptable, and I am more than happy to meet him to discuss it. But I just want to reiterate that the law is clear that any individual undertaking work in the UK is entitled to receive the national minimum wage; this includes workers in different sectors, which is why we are taking this action, and we will be laying legislation in the autumn.

Shared Prosperity Fund

6. Patricia Gibson (North Ayrshire and Arran) (SNP): What recent discussions he has had with Cabinet colleagues on the shared prosperity fund. [911248]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Jake Berry): The Prime Minister recently appointed me as a joint Minister in this Department and in my existing role in the Ministry of Housing, Communities and Local Government. That shows the Government's commitment to drive forward the northern powerhouse, which has always been a partnership between local government, national Government, the industrial strategy and business. In this role I will continue to hold regular meetings to discuss EU exit, and the UK shared prosperity fund will remain a priority in that.

Mr Speaker: This shows that the Minister is a very busy man with many commitments and a very full diary.

Patricia Gibson: The Prime Minister told me in December 2018 that a consultation on the UK shared prosperity fund would take place by the end of that year. The silence on progress with this fund to replace the EU structural fund, worth €2.4 billion a year, is deafening and the lack of detail and communication is shameful given that these funds are designed to help all communities prosper. Will the Secretary of State tell us once and for all, when this fund will be designed and implemented? Will it match current levels or is this important fund going to be yet another casualty of Brexit?

Jake Berry: The hon. Lady is absolutely right that this Government have set forward our ambition to deliver a UK shared prosperity fund that creates wealth, growth and jobs in all parts of our United Kingdom. We have been clear that we will respect the devolution settlement, and we have been absolutely clear that we will consult the Scottish Government and other devolved Governments before we start the consultation on that. But the hon. Lady does not have to wait until then, because there have been meetings between officials and over 500 stakeholders at 25 official events across the country, and I am sure the hon. Lady will look forward to taking part in future events.

Stephen Crabb (Preseli Pembrokeshire) (Con): The shared prosperity fund represents a really good opportunity to improve the way in which we support poorer communities with funding—far too much of the EU structural funding has been wasted in the past—but will the Minister take this opportunity to scotch some of the scaremongering that we have heard in recent days about how the new shared prosperity fund will lead to a net loss for places such as Wales and a net gain for the south-east? The House of Commons Library has confirmed to me that this recent study is based on unfair comparisons.

Jake Berry: I would not question the authority, even-handedness and open-mindedness of House of Commons Library. I would direct my right hon. Friend to the debate that took place in Westminster Hall on 14 May, led by the hon. Member for Barnsley Central (Dan Jarvis), in which colleagues and the Government set out

in considerable detail our ambition to drive jobs, growth and prosperity in all parts of our United Kingdom through this fund.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Research from the independent Conference of Peripheral Maritime Regions has shown that Scotland stands to lose nearly €1 billion of funding if the UK Government do not match EU funding after 2020. Given what the Minister has said about his responsibilities, will he tell us which of the 10 candidates for Prime Minister have given guarantees to replace every penny of this funding and retain Holyrood's role in disbursing it?

Jake Berry: It is welcome that the hon. Gentleman wants to play such an active and full part in the Conservative leadership election, but he knows, as I do, that decisions about the UK shared prosperity fund, on quantum and all other matters, will be taken during the comprehensive spending review and the consultation. I would say to him that the Scottish Government must absolutely play their part in being an advocate for the areas of Scotland that share this Government's ambition to create jobs, wealth and growth through the UK shared prosperity fund, mirroring in many ways what is being achieved through European funds.

Drew Hendry: The public will have heard that answer, which is clearly insufficient and not good enough. The highlands and islands alone stand to lose €180 million, and the Secretary of State for Environment, Food and Rural Affairs has said that he is willing to grab control of devolved spending. Is it any wonder that the Scottish public are now looking to Scotland being an independent nation state in Europe with an equal seat at the table, rather than this shambles?

Jake Berry: Well, Mr Speaker, if you want a strong demonstration that this country is better together, you need look no further than the highlands and islands growth deal, a partnership between the UK Government and the Scottish Government that is changing lives for people across the highlands and islands. That is a demonstration in one Government policy of why this Union should stay together.

Small Businesses: Scotland

7. Bill Grant (Ayr, Carrick and Cumnock) (Con): What recent steps he has taken to support small businesses in Ayr, Carrick and Cumnock constituency. [911249]

15. Chris Law (Dundee West) (SNP): What recent discussions he has had with the Secretary of State for Scotland on support for small and medium-sized enterprises in Scotland. [911257]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Kelly Tolhurst): We engage regularly with the Secretary of State for Scotland on how we can achieve our industrial strategy aim to make the UK the best place to start and grow a business. The British Business Bank has supported 5,219 small and medium-sized enterprises in Scotland with more than £898 million to date. My hon. Friend the Member for Ayr, Carrick and Cumnock (Bill Grant) will be pleased to know that the bank's start-up loans programme has delivered 61 loans totalling more than £253,000 in his constituency.

Bill Grant: As the House is aware, high streets are under pressure as a result of the changing retail landscape. Sadly, in Ayr, we lost our independent department store, Hourstons, earlier this year. It had been trading for 123 years. Will my hon. Friend outline what support is available to local businesses to ensure that they can remain at the heart of their communities?

Kelly Tolhurst: I thank my hon. Friend for highlighting the loss of a department store in his constituency. Let me assure him that the Minister with responsibility for high streets—the Under-Secretary of State for Business, Energy and Industrial Strategy, my hon. Friend the Member for Rossendale and Darwen (Jake Berry)—and I are committed to working together to support the businesses at the heart of our communities across the country and to deliver the £1.6 billion plan for our high streets, including via the Retail Sector Council. The Ayrshire growth deal, with £103 million of UK Government funding, in my hon. Friend's constituency—of which he has been a keen supporter—will also help the wider business community.

Chris Law: The business growth accelerator suspends rates for new builds or renovated properties for 12 months, and this Scotland-wide policy has encouraged new development across the country. Is it not the case that while Brexit is set to push the economy off the cliff, the Scottish National party is the only party supporting Scotland's small businesses?

Kelly Tolhurst: It will come as no surprise to the hon. Gentleman that I disagree with him. UK Government investment in city region and growth deals in Scotland is now more than £1.3 billion, and there are 48,000 more enterprises operating in Scotland than there were in 2010. We are committed to delivering economic growth and business support across the country, but as the hon. Gentleman will know, it was his Government's decision to bring in the highest taxes—

Mr Speaker: Order. I call David Linden.

21. [911263] **David Linden** (Glasgow East) (SNP): Some employees in small businesses, including those in Ayr, Carrick and Cumnock, will face the prospect of having a child born premature or sick, so why will the Minister not release the findings of the recent Government review into parental leave for such issues, which would help families in Ayr, Carrick and Cumnock and right across these islands?

Kelly Tolhurst: I am grateful to the hon. Gentleman for raising this topic. Following the Department's internal review, we will now consult on the options to provide further support to the parents of premature, sick and multiple babies before the end of the summer. The consultation will be informed by the review's findings, and I am grateful to Bliss, The Smallest Things and the many Members across the House who have spoken to me and lobbied on the matter.

Greenhouse Gas Emissions: Targets

8. **Layla Moran** (Oxford West and Abingdon) (LD): With reference to the report entitled, "Net Zero: The UK's contribution to stopping global warming", published

by the Committee on Climate Change on 2 May 2019, what assessment he has made of the adequacy of the Government's greenhouse gas emissions targets. [911250]

The Minister for Energy and Clean Growth (Chris Skidmore): I join colleagues from across the House in welcoming the Committee's seminal report on net zero. The UK's record in tackling climate change is world leading, and the CCC's report sets out a path for us to continue that legacy by becoming the first major economy to legislate to end our contribution to global warming. The Government recognise the need for urgent action on climate change, which is why we asked for this advice last October, and we will respond in a timeframe that reflects that urgency.

Layla Moran: I am sure that, like me, many Members receive beautifully handwritten letters from schoolchildren. Nine-year-old Elizabeth from West Oxford Community Primary School says:

"Words are not enough—urgent action is needed within the next decade if the world is going to survive as we know it."

Out of the mouths of babes—but not all of them are learning about climate change. Will the Minister work with the Department for Education to ensure that all children, including those at key stages 1 and 2, learn about this incredibly important matter?

Chris Skidmore: I certainly have the opportunity to do so, because I also sit in the Department for Education as Universities Minister. The Secretary of State for Education is keen to highlight that climate change is taught in schools, but I will pass on the hon. Lady's comments about ensuring that the next generation continue to learn about the urgency with which we need to tackle climate change.

Colin Clark (Gordon) (Con): We recently went for two weeks without using coal in our electricity mix, largely due to the use of lower greenhouse gas-emitting natural gas. Does my hon. Friend remain committed to the North sea oil and gas industry, which supports 120,000 jobs in Scotland and 280,000 across the United Kingdom as a whole?

Chris Skidmore: My hon. Friend hits upon a crucial point. If we are to have clean growth and a sustainable pathway towards net zero, we must ensure that we continue to use gas. We have weaned ourselves off coal, and it is remarkable that we went 18 days and seven hours without coal—not that I was counting. Anyone can follow the reduction in the use of coal over the past seven years, which has happened because we have been able to adapt and put gas back on the market. Going forward, we will have to ensure that we invest in a multitude of energy sources, including solar and other renewables, but gas will be a vital part of the mix in a sustainable transition.

23. [911265] **Paul Blomfield** (Sheffield Central) (Lab): Last month, this House declared a climate emergency and called on the Government to

"set ambitious, short-term targets for the roll-out of renewable and low carbon energy and transport".

Will the Minister outline what he has done to set and achieve those targets?

Chris Skidmore: It is incredibly important that the Government are committed to publishing an energy White Paper this summer. As for targets, we have already taken forward the grand challenges of setting out missions for transport and buildings, for example. Clean buildings are incredibly important, because 28 million buildings make up 25% of all carbon emissions. We are beginning that work, and we will be putting bids together in the run-up to the spending review that reflect the grand challenges and those missions.

Rachel Maclean (Redditch) (Con): Does my hon. Friend agree with the CBI, which says that the Labour party's plans to renationalise the energy system are already harming our efforts to tackle climate change? What commitments will he make about continuing to reduce our emissions to zero?

Mr Speaker: Yes, but do not bang on about the Opposition's policy. That is not the Minister's responsibility. We can hear a brief word about the Government's policy. The trouble with following briefings from outside organisations is that they can lead Members astray.

Chris Skidmore: I think the key point is that the reforms that have led to the reduction in the use of coal over the past seven years have been taken forward using a market-based strategy. That was highlighted last week in a report by the International Energy Agency, which praised the UK's commitments to addressing climate change by using market-based approaches.

Rachel Reeves (Leeds West) (Lab): We have a moral obligation to bring our carbon emissions down to net zero, and there are real economic and social benefits in doing so. Although the Chancellor has expressed his scepticism, despite the fact that we face a climate catastrophe, will the Minister offer real leadership and commit the Government to supporting the Bill I will be presenting to the House this afternoon to bring down our carbon emissions to net zero by 2050?

Chris Skidmore: I will certainly be present to listen to the hon. Lady's Bill. I want to make that commitment, but I recognise that across this House, across all parties, we cannot do this simply by taking a party political approach. It was her Government that passed the landmark Climate Change Act 2008, which introduced the carbon budgets that now allow us to adapt the legislation to look towards net zero.

There must be a whole Government approach, and I want to be able to work towards that. When it comes to looking at carbon budgets and the baselines, those are specific issues on which I want to work with the Committee on Climate Change. I look forward to hearing the hon. Lady's Bill, on which we all want to move forward together.

Barry Gardiner (Brent North) (Lab): I welcome the Minister to his new responsibilities while the right hon. Member for Devizes (Claire Perry) is on compassionate leave. We hope the right hon. Lady makes a speedy return to the House.

Assuming the Government will do the right thing and legislate for net zero by 2050, in line with the recommendations of the Committee on Climate Change,

why has the Minister decided to weaken the third carbon budget by carrying over surplus emissions from the second carbon budget, against the committee's specific advice?

While the Minister is at the Dispatch Box, perhaps he will confirm that net zero can be achieved within the current cost envelope for an 80% reduction of 1% to 2% of GDP. The Chancellor's claim of £1 trillion spuriously adds together all the costs over the next 21 years and fails to subtract any of the benefits or savings.

Chris Skidmore: It is important to put on record the content of the Government's letter to the Committee on Climate Change. After careful consideration of the committee's advice, the Government decided to hold in reserve a small proportion of over performance from carbon budget 2—88 megatonnes of a total over performance of 384 megatonnes. The reserve will act solely as a contingency. *[Interruption.]* I have 384 megatonnes, but I will happily correct the record when I look at the statistics. Eighty-eight megatonnes are being held in reserve and act solely as a contingency against changes in the baseline. This will be released once it is clear that it will not be needed to address any technical changes to the baseline. We have also asked the Committee on Climate Change to look at those technical changes. We would not have asked the committee to take forward work on net zero if we did not believe we will be able to implement this.

When it comes to the cost reduction, I entirely agree with the hon. Gentleman that costs have come down on technology and will continue to come down. The Committee on Climate Change has made it clear that it can be done within the envelope of 1% to 2% of GDP, as set out for the 80% reduction.

Post Office Services: Rural Areas

9. **Derek Thomas (St Ives) (Con):** What steps he is taking to ensure that people can access post office services in rural areas. [911251]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Kelly Tolhurst): The Government absolutely recognise the importance of post offices to rural communities across the UK. There are over 11,500 post offices nationwide, and Government subsidy safeguards post offices, which can be the last shop in the village, so that they can continue to serve their communities. The Post Office delivered almost £10 million of investment via the community fund between 2014 and 2018 to facilitate rural community branches to invest in their retail businesses.

Derek Thomas: I thank the Minister for her response but, unfortunately, there is one fewer post office today, as Porthleven post office in west Cornwall closes. Six months ago, the Minister said from the Dispatch Box that, guided by the Post Office, a mobile service will be available in west Cornwall to deal with the nine post offices that have so far closed and are now no longer available. Can she please tell me when we will get that mobile service so that people can once again access post office services?

Kelly Tolhurst: I thank my hon. Friend, who has long been a campaigner for post offices in his region. It is true that west Cornwall communities have been unduly

inconvenienced, and he is right that the Post Office is now waiting for Cornwall Council to issue a formal permit to formalise the agreement. I have been assured that, due to the closure of Porthleven post office this morning, there will be a weekly mobile service in place very shortly. I just want to highlight that, with such a diverse network in many different locations and settings, it is true that some post offices will close due to unforeseen circumstances and lots of other reasons. It is important that the Post Office keeps up with that challenge to make sure our communities are well served.

Chris Evans (Islwyn) (Lab/Co-op): With banks closing their rural branches, post offices are the last places where people can access cash. However, as I know from the experience of Pontllanfraith in my constituency, it is increasingly difficult to replace postmasters who give up their tenancy. What can the Government do to work with the Post Office to encourage more people to take up postmaster and postmistress jobs?

Kelly Tolhurst: I thank the hon. Gentleman for raising that matter. A key part of what the Post Office has done is to renegotiate the banking framework, which has seen remuneration for postmasters increase significantly—it has doubled, and trebled in some cases. On Thursday, I will be hosting a meeting with Post Office Ltd and the National Federation of SubPostmasters, where we are hoping to tackle some of the issues about the economic viability of sub-post offices.

25. [911267] **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): Conover post office in my constituency is a classic example of the very important services that these companies provide to our constituents in rural areas. Now that we are moving towards running a balanced budget, will the Minister work with the Exchequer to ensure that every assistance is provided through the taxation system for these very important post offices?

Kelly Tolhurst: My hon. Friend is right: Government have a responsibility to ensure that we work together across Government to ensure that services can be provided through the post office. We must celebrate the fact that the Post Office, for the first time in a number of years, has become profitable. We have the most stable network in decades. Under the last Labour Government, over 7,000 branches shut. We are making sure that we maintain the number of post offices; in fact, we have opened 400 since 2017.

Tim Farron (Westmorland and Lonsdale) (LD): One of the silver linings of the decision of the high street banks to abandon our town centres is that post offices are now able to pick up that slack. The Minister said earlier that she was meeting with Post Office Ltd and that the income that postmasters get from banking transactions has trebled. The reality is that they are getting a few pence for every £1,000 of work that they do for the banks, so a trebling is still a pittance. Will she ensure that the banks remunerate our post offices for, basically, doing the work that they have left behind?

Kelly Tolhurst: The hon. Gentleman makes a good point about banks moving away from our high streets and the post offices picking up the slack. That is why I

am proud of what Post Office Ltd has done in negotiating this new framework. I disagree with him when he says that what postmasters receive is a pittance. In fact, the remuneration has doubled or trebled; it has increased significantly. The Post Office will also be bringing that forward: it will be remunerating postmasters from October, rather than January, when the framework comes into place.

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): The new report by a representative group of sub-postmasters notes that a fifth of sub-postmasters are planning to leave the profession, due to increasing financial pressures—indeed we have heard, from different sources, of postmasters earning well below the minimum wage. The result could be the closure of 2,500 branches, threatening the viability and sustainability of the entire network. What discussions has the Minister had with the Post Office to ensure that sub-postmasters are getting a fair deal? Will she urge the Post Office to look at contingency plans to ensure that such closures do not occur?

Kelly Tolhurst: It is true that Members across the House care deeply about our Post Office, and so do the Government. The number of branches remains at its most stable for a decade. To give the hon. Lady some reassurance, my meetings on Thursday will include one of the formal meetings held quarterly—with ministerial oversight—between Post Office Ltd and the National Federation of SubPostmasters to tackle some of the key issues.

I reiterate at the Dispatch Box that Post Office Ltd will be undertaking a review of pay, which will report back in the autumn. I agree that any sub-postmaster who wants to take on a post office franchise must be able to do so in the knowledge that it is financially viable. We are supporting them, and the Post Office is supporting them, to serve their communities.

Leaving the EU: Scottish Business Support

10. **Dr Philippa Whitford** (Central Ayrshire) (SNP): What recent discussions he has had with the Chancellor of the Exchequer on fiscal support for businesses in Scotland preparing for the UK leaving the EU. [911252]

The Secretary of State for Business, Energy and Industrial Strategy (**Greg Clark**): The UK Government have provided the Scottish Government with almost £100 million to prepare for EU exit, alongside funding to support businesses with training and IT improvements. As we have heard in this question session, we have also supported businesses in Scotland through the city deals programme, including over £100 million for the Ayrshire growth deal in the hon. Lady's constituency, which I know she welcomes.

Dr Whitford: I do welcome that, but an Ernst & Young report shows that, although 74% of Scottish firms have taken steps to get ready for Brexit, only 8% feel fully prepared. As 30% of manufactured goods go to the EU, will the Secretary of State accept the Institute of Directors' call for £750 million to provide a Brexit advice service for small firms?

Greg Clark: I work closely with the Institute of Directors and other business organisations to make sure that information is available to their members and others.

We will continue to do that over the months ahead, but it remains my ambition that we should have a deal that allows us to continue the successful trade that the hon. Lady mentions.

Mr Edward Vaizey (Wantage) (Con): Hear, hear! Well said.

Mr Speaker: Contain yourself, man. I am always grateful to the right hon. Gentleman for the provision of the voice of Wantage.

Solar Power

11. **Clive Lewis (Norwich South) (Lab):** What plans he has to help ensure that solar power is (a) accessible to and (b) affordable for all households. [911253]

19. **Douglas Ross (Moray) (Con):** What plans he has to help ensure that solar power is (a) accessible to and (b) affordable for all households. [911261]

20. **Wera Hobhouse (Bath) (LD):** What plans he has to help ensure that solar power is (a) accessible to and (b) affordable for all households. [911262]

The Minister for Energy and Clean Growth (Chris Skidmore): I am pleased to inform hon. Members that yesterday the Government launched their smart export guarantee, which will ensure that all small-scale generators are paid for the power they export to the grid. Supported by Government investment, residential solar installations are now 50% cheaper than they were in 2011 and, alongside technologies such as batteries, will help consumers to export energy to the grid when it is needed, reducing their bills and making solar more accessible and affordable than ever before.

Clive Lewis: With all due respect, only this Government could dress up a 94% collapse in domestic solar installations as a success. They now plan to slap 20% VAT on solar and storage and to replace the certainty of the feed-in tariff export payments with a lick-and-a-promise scheme with no certain payment rates and no guaranteed periods. Why does the Minister not just admit that, as ever, the Tories always side with big and dirty rather than with clean and local?

Chris Skidmore: The hon. Gentleman mentioned the drop in solar installations, which came about at the end of the feed-in tariff scheme. March was a record month for installations in the last two years, as we saw a rush for applications before the scheme closed. We had a question earlier about fuel poverty, and the point about the feed-in tariff is that, although it was important at the time and helped 850,000 people to use solar panels on their households, it was going to cost £30 billion, which would mean an average of £14 on every single household's bill. We must now look into moving forward so that we can take a locally adopted position and ensure that we can generate a market.

Douglas Ross: I will try to be more positive than the hon. Member for Norwich South (Clive Lewis), but there has been concern among the industry, including AS Solar, about the proposed changes for reduced rate VAT for energy-saving materials. This presents a roadblock

for many of the 60% of households that hope one day to get photovoltaic and battery storage, so will the Minister meet me urgently to discuss the matter to ensure that the solar industry gets this support from the Government?

Chris Skidmore: I thank my hon. Friend for raising those points, which reflect what the hon. Member for Norwich South (Clive Lewis) mentioned in the previous question. This obviously comes on the back of a specific European Court of Justice ruling. I understand Members' concerns and sympathise with the industry, but I reassure the House that VAT continues to be zero rated for installations on new build housing. I will happily meet my hon. Friend to discuss the opportunities for future change.

Wera Hobhouse: I welcome the timely launch of the smart export guarantee yesterday, but many people will be disappointed by the decision not to set a minimum floor price to protect consumers and the domestic solar market. Under the proposals, it will be left to suppliers to set tariffs. If it becomes apparent that the market is failing to sustain fair remuneration for households that export to the grid, how swiftly can we expect the Government to intervene?

Chris Skidmore: The export market is clearly developing, and it is important to recognise that several suppliers are beginning to offer trial export tariffs, either in line with the wholesale price or at the same level or higher than the feed-in tariff export guarantee rate. Those suppliers include Octopus and Bulb, which have welcomed the changes. It is important that the policy can develop so that we can make sure that we see future development.

Mr Speaker: Lateral thinking, I say to the hon. Member for North West Leicestershire (Andrew Bridgen). Solar power and engineering are not altogether unrelated; with a degree of imagination, the hon. Gentleman could shoehorn his inquiry into this matter.

22. [911264] **Andrew Bridgen (North West Leicestershire) (Con):** Thank you, Mr Speaker.

Does my hon. Friend agree that we should be doing more to enhance technical education and engineering, and that one of the best ways to do that will be with T-levels? What impact does he think they will have?

Chris Skidmore: There are currently around 400,000 green jobs in the UK, and that number could more than quadruple to 2 million by 2030, so it is vital that we invest in skills. One of my priorities is to set out our mission to invest in technology for the future.

Albert Owen (Ynys Môn) (Lab): Solar power is an important part of the energy mix. What plans do the Government have to help community groups to ensure that community buildings are built to be self-sufficient by producing their own electricity and selling to the grid, and to put solar panels on the roofs of Government buildings?

Chris Skidmore: There are a number of pilots on community buildings that we will be taking forward but, specifically, the smart export guarantee ensures that providers with up to 5 MW of production of solar

electricity can export back to the grid. If we consider Blackfriars railway station—there is about 5 MW there—we can see the opportunity for community halls and community infrastructures to sell their energy back to the grid.

Business Growth: North of England

12. **Lucy Powell** (Manchester Central) (Lab/Co-op): What steps he is taking to support business growth in the north of England. [911254]

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Jake Berry): The industrial strategy is driving the northern powerhouse across the north of England. Our Northern Powerhouse Investment Fund, which recently celebrated its second anniversary, has invested directly in northern businesses: £104 million, supporting 410 small and medium-sized enterprises.

Lucy Powell: I thank the Minister for his answer. I would also like to see Ministers throw their weight behind the Power Up The North campaign but, given that the current Prime Minister banned all mention of the northern powerhouse when she took office and that most of the candidates to succeed her are southern MPs, and one is a former Mayor of London, is there not a real risk that the northern powerhouse agenda will fall off a cliff with a new Tory Prime Minister?

Jake Berry: I fully support the Power Up The North campaign. Modesty precludes me from saying that its proposal that the northern powerhouse Minister be a full Cabinet position should be considered by all future leaders of the Conservative party. I hope that, when the hon. Lady goes back to her constituency, she will channel “Monty Python’s Life of Brian” and say that, apart from the £7 billion devolution deal, the £38 million contribution towards a Graphene centre, a £10 million relief road, a £15 million international screen school, the £5 million Pankhurst Centre and a £243 million transport fund for people in Greater Manchester and her constituency—what has the northern powerhouse ever done for us?

Martin Vickers (Cleethorpes) (Con): Business growth in northern Lincolnshire would receive a major setback if the Scunthorpe steelworks were to close. Will the Minister give an assurance that Government support will continue until a buyer is found?

Jake Berry: I know that the Secretary of State and my ministerial colleague, my hon. Friend the Member for Pendle (Andrew Stephenson), are working tirelessly to support the steel industry across the country and I know that they will continue to look at how they can support Grimsby steel.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): In the north, European structural funds helped to create 70,000 jobs and 16,000 new businesses between 2007 and 2013. The Minister’s complacent and lackadaisical refusal to divulge any details of the shared prosperity fund raises real doubts that this will be a true replacement for those vital funds enabling significant regional decision making. So will he put the north above party infighting, help power up the north and commit to giving details of that fund before the end of the Tory leadership election?

Jake Berry: I agree with the hon. Lady that people like me and her, who have been born and brought up in the north of England for our entire lives, can see that European structural funds have made a real difference. That is why this Government, with their UK shared prosperity fund, are absolutely committed to driving jobs and growth not least across the north of England. On the consultation on the shared prosperity fund, 500 stakeholders have been consulted so far at 25 events and that has included consultation by me with the northern metro mayors and all other mayors. I look forward to working with the new North of Tyne Mayor in Newcastle not least on this but also to discuss how he can spend £345 million—

Mr Speaker: Order.

Topical Questions

T1. [911268] **Derek Thomas** (St Ives) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Business, Energy and Industrial Strategy (Greg Clark): Since our previous questions, we have launched the west midlands local industrial strategy in Coventry, building on the region’s reputation for excellence in low-emissions vehicles, with further funding for the UK Battery Industrialisation Centre. Shortly after the recommendation by the Committee on Climate Change that we legislate to reach net zero emissions by 2050, Britain enjoyed its first ever coal-free fortnight since the industrial revolution. We will make our response to the committee’s report shortly to reaffirm our commitment to leadership in this important endeavour.

Derek Thomas: Most of us have hospitals, schools, council buildings and police stations in our constituencies. What more can the Government do to encourage the use of renewable energy in those buildings?

Greg Clark: My hon. Friend makes an excellent point on behalf of one of the sunnier parts of the country. The public sector energy efficiency loans scheme is open to public bodies so that they are able to invest in just that technology. I will ensure that he has the full details of that scheme, which might also interest the hon. Member for Ynys Môn (Albert Owen), given his question.

T4. [911273] **Matthew Pennycook** (Greenwich and Woolwich) (Lab): The International Development Secretary recently said that he wants to double the UK’s current £1.1 billion commitment to the UN green climate fund. As the UK is yet to do so, will the Minister who has temporary responsibility for our engagement with the UN climate talks assure us today that it is the Government’s intention to commit additional money to the fund?

The Minister for Energy and Clean Growth (Chris Skidmore): Obviously, any decision on future funds will be made within the spending review, but I can absolutely say that it is vital that we work cross-departmentally to look at how we can harness all the resources of Government towards tackling climate change. The Secretary of State for International Development has made that commitment personally, and I can double down on that commitment to ensure that we tackle climate change in the poorest countries in the world.

T2. [911270] **Andrew Griffiths** (Burton) (Con): The Office for Product Safety and Standards undertook a thorough review of the modification of Whirlpool tumble dryers. However, there still remain great concerns about not only the straightness of Whirlpool, but whether people have unsafe products in their homes. Can the Minister update us on what is happening in relation to Whirlpool?

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Kelly Tolhurst): I recognise the key role that my hon. Friend played in instigating the review when he was in post. Consumer safety is a Government priority and I assure him that we have kept Whirlpool's action under review. I can tell the House that we have informed Whirlpool of our intention to serve a recall notice as the next step of the regulatory process. This is unprecedented action.

T7. [911276] **Mr Jim Cunningham** (Coventry South) (Lab): I have two universities in my constituency that work very closely with businesses to develop technology. Can the Minister assure me that the Augar review will not lead to funding cuts at these universities, as they get funding from different sources?

Chris Skidmore: The Government have been clear in our response to the Augar review that we want to reflect on its recommendations. We will take this forward as part of the spending review while the post-18 review reaches its conclusions. I entirely agree with the hon. Gentleman that the future of research in this country is about ensuring that universities act as magnets to draw business in. Just yesterday, I attended the launch of the University of Bath's Institute for Advanced Automotive Propulsion Systems at the Bristol and Bath Science Park. It is absolutely right that we must cherish universities' research capabilities.

Mr Speaker: I call Andrea Jenkyns. Oh dear; she has beetled out of the Chamber. I therefore call Peter Aldous.

T5. [911274] **Peter Aldous** (Waveney) (Con): With town centres such as that of Lowestoft facing serious challenges, will the Minister confirm that she is working with the Treasury and the Ministry of Housing, Communities and Local Government to put in place a fairer system of business taxation?

Kelly Tolhurst: My officials are in regular contact with the Treasury and MHCLG to represent the views of business. Last week, we welcomed the Under-Secretary of State for Business, Energy and Industrial Strategy, my hon. Friend the Member for Rossendale and Darwen (Jake Berry), to BEIS so he now holds ministerial roles in this Department and in MHCLG, as Minister for the northern powerhouse and local growth. This further strengthens our relationship. We look forward to continuing to work together to support these businesses and make proper representations to the Treasury.

T8. [911277] **Stephen Kinnock** (Aberavon) (Lab): British steel companies pay twice as much as their French competitors for energy and 50% more than German companies. What action will the Government take to enable the British steel industry to compete without having one hand tied behind its back?

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Andrew Stephenson): I regularly speak with a range of steel companies. Since 2013 the Government have provided more than £291 million to the steel sector for the costs of renewables and climate change policies, including over £53 million compensation during 2018.

T6. [911275] **Julian Sturdy** (York Outer) (Con): York Instruments, based in my constituency, is doing ground-breaking work developing advanced medical devices, attracting £10 million of private investment from the US to sustain 41 high-skilled jobs. Can the Government assure me that they are doing everything possible to facilitate this kind of investment, which can be very difficult for some small businesses to navigate?

Greg Clark: I can indeed, and I commend my hon. Friend for bringing this matter to the attention of the House. The life sciences sector deal has provided a means for investment to take place right across the sector. In fact, that deal has been so successful that we are on the second version of it, and further investments will be announced shortly.

Ruth George (High Peak) (Lab): What has the Department done to monitor the growth of short-hours contracts in supermarkets, which have led 76% of USDAW members on low pay to rely on unsecured loans to pay everyday bills, with 63% believing that financial worries are affecting their mental health? Will the Secretary of State meet USDAW to discuss its recent survey in detail?

Kelly Tolhurst: I am happy to meet the hon. Lady to discuss this, but I would like to reaffirm the Government's commitment to upgrade workers' rights, protecting the most vulnerable workers. Our legal framework already ensures that employers should always treat their employees fairly, and our good work plan will introduce the biggest upgrade in workers' rights in a generation. In the retail sector specifically, the industry-led Retail Sector Council has identified that employment is a key priority for the workstream and we will be discussing that on 20 June.

Kevin Hollinrake (Thirsk and Malton) (Con): At the last BEIS questions, my right hon. Friend the Business Secretary gave a positive response to my suggestion of a wide-scale roll-out of solar on every public sector building—every school, hospital and prison. Is he interested in taking that proposal forward?

Greg Clark: I am indeed. I set out to my hon. Friend a means by which that can be financed. In our response to the Climate Change Committee's report, we will be setting out further measures that we can take to accelerate our decarbonisation.

Jim Shannon (Strangford) (DUP): Will the Minister outline what steps her Department has taken to ensure that free ATM services are retained in rural areas?

Kelly Tolhurst: Absolutely. Access to free cashpoints is an important part of our high streets and I personally, as a constituency MP, have made representations on that to the banking sector. However, through the post office network, we already have a great deal for offering cashpoints in post offices with the Bank of Ireland.

I hope to make sure that Post Office Ltd extends that service. We continue to campaign and talk to the Treasury to make sure that we still offer those cashpoint services.

Bim Afolami (Hitchin and Harpenden) (Con): The Secretary of State knows that Rothamsted Research in Harpenden does amazing work in agricultural science. Many people at Rothamsted have expressed to me their concern about the nature and the amount of science funding after we leave the European Union. Will the Secretary of State give me an update as to where we have got to on that as a Government?

Greg Clark: I completely recognise the excellence at Rothamsted, of which my hon. Friend is a great champion. One of the advantages of concluding a deal with the rest of the European Union is that we will be able to continue to participate in science projects that are of disproportionate benefit to the UK.

Jenny Chapman (Darlington) (Lab): Yesterday, I spoke to the chief executive of Arcadia Group about the Top Shop, Top Man and Dorothy Perkins stores in Darlington. Tomorrow, there is a CVA—company voluntary arrangement—meeting where we could see the loss of 18,000 jobs nationwide. I know that the Government cannot intervene in the process, but what are they going to do to protect communities who could be affected by this decision?

Kelly Tolhurst: The hon. Lady raises an important point about the viability of some of the retail outlets that are operating on our high streets. She is absolutely right that it is concerning when we are looking at any closures of retail names on our high streets. We stand ready to do what we can, along with my colleagues in MHCLG, if closures occur. As I have already outlined, we are working with the Retail Sector Council. We are committed to making sure that we work with the retail sector and high streets to make sure that we can truly grow our high streets and protect retail for the future.

Mr Edward Vaizey (Wantage) (Con): A small amount of funding would unlock the growth of Harwell campus in my constituency via the Nuclear Decommissioning Authority. Will the Secretary of State, who knows Harwell campus well, meet me and the NDA there to discuss how we can get on and build Greg Clark Park and Theresa May Way, and drive this successful science campus to help growth post Brexit?

Greg Clark: I have no aspirations to such recognition, but I am very happy to meet my right hon. Friend to discuss the further opportunities for what is one of the foremost innovation campuses in the whole world.

Alison Thewliss (Glasgow Central) (SNP): The Scottish Government's consultation on fireworks closed last month, having received 16,000 responses. Can the Minister update us on the UK Government's action on fireworks, and can she guarantee that my constituents in Pollokshields will not have to suffer as they did last November?

Kelly Tolhurst: I would be grateful to discuss the consultation outcomes with the hon. Lady. As she will know, the Office for Product Safety and Standards is undertaking a review, and I will happily update her when we have the results.

Lee Rowley (North East Derbyshire) (Con): At a recent Public Accounts Committee sitting, the issue of fracking and specifically the decommissioning of fracking sites was raised, and the answers from senior civil servants were not great. Will the Minister meet me, so that we can discuss those concerns in more detail?

Chris Skidmore: I know that this issue affects my hon. Friend's constituency directly and that he is a dedicated constituency MP, so I will happily meet him to discuss it.

Melanie Onn (Great Grimsby) (Lab): The loss of Novartis from the South Humber bank will lead to 400 job losses. Will the Secretary of State appoint one of his Ministers to a taskforce, to find a new buyer for the site?

Greg Clark: As the hon. Lady knows, I am always keen to ensure that we take every step we can to preserve the continuity of skilled people, and I would be happy to do that.

Tom Pursglove (Corby) (Con): The excellent new Minister has been a strong supporter of the new UK steel charter. Will he update the House on the progress he has made in getting it adopted across Government?

Andrew Stephenson: I thank my hon. Friend for his question. After signing the UK steel charter on behalf of my Department, I have written to several other Departments, encouraging them to support this excellent initiative.

Rachael Maskell (York Central) (Lab/Co-op): Only a fifth of York Central development is earmarked for economic development, which will seriously curtail the opportunities for business growth, inward investment and good jobs for York. Following my discussions with the Minister and stakeholders, will he consider a new proposal for York Central?

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Jake Berry): The hon. Lady is aware that this planning decision is currently with the Secretary of State for Housing, Communities and Local Government for determination. She has had the opportunity to meet me and make representations, and I will meet my hon. Friend the Member for York Outer (Julian Sturdy) later today.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): Many of my constituents who are customers of HELMS—Home Energy and Lifestyle Management Systems—have been utterly failed by ineptly regulated green energy incentive schemes. The decision to remove the feed-in tariff for solar energy microgeneration, in tandem with the proposal to apply VAT to more energy-saving materials, including solar panels, will do nothing to support the public, the industry or the environment. Will the Minister reconsider those retrograde steps, which fly in the face of our climate emergency declaration?

Chris Skidmore: I simply disagree that this is a retrograde step. The smart export guarantee, which we announced yesterday and will legislate for, will create a market to ensure that small providers of renewable energy will be able to sell back their electricity to the grid and make

a profit. As I have mentioned, feed-in tariffs will cost £30 billion over their lifetime, putting £14 on the bills of every household. If that is what the hon. Gentleman wants, as opposed to creating a market that will benefit those using solar panels, I do not know why he is here.

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): The Secretary of State is no doubt waiting for the new Prime Minister to authorise him to announce the UK ceramic sector deal. While that is being worked out, what conversations is he having with the Department for International Trade about supporting the anti-dumping measures that are currently being considered in Europe?

Greg Clark: As the hon. Gentleman knows, I am a strong supporter of the proposed sector deal, and in the draft tariff schedule that was published particular attention was given to the strong representations of the ceramics industry.

Stella Creasy (Walthamstow) (Lab/Co-op): I have been inundated with complaints from local residents about a second-hand car sales company in my community that variously goes by the names BD Trade Sales, Leabridge Motors, Diamond Motors and many more. Members may be aware of its work from programmes such as “Rogue Traders”, “Don’t Get Done, Get Dom”, “Watchdog” and “The Sheriffs Are Coming”. Despite the evidence about how it is ripping off consumers, the

council, trading standards and the police have not been able to stop it. Will the Minister meet me to talk about what we can do to hold these phoenix companies to account, so that we get dodgy cars off the roads and get consumers a better deal?

Kelly Tolhurst: I am grateful for the hon. Lady’s offer to meet me to discuss this issue, which I am keen to do. I hope that when we are in a position to make announcements in the consumer White Paper, we will be able to do exactly that—tackle some of the consumer detriment that we see across the country. I look forward to meeting her to discuss that.

Anna Soubry (Broxtowe) (Change UK): The Secretary of State has quite properly described a no-deal Brexit as “a disaster” for British business. Will he commit to continuing to do everything he can to prevent a no-deal Brexit, whoever the Conservative party choose as our next Prime Minister?

Greg Clark: I strongly believe that it is very much in our interests to have a deal that allows us to continue to trade with the rest of the European Union. The voices in countless industries could not be clearer that they depend for their prosperity on that, and I will do everything I can to represent that view in Government in the interests of the livelihoods of millions of people right across the country.

Free TV Licences: Over-75s

12.45 pm

Tom Watson (West Bromwich East) (Lab) (*Urgent Question:*) To ask the Secretary of State for Digital, Culture, Media and Sport to make a statement on free TV licences for the over-75s.

The Secretary of State for Digital, Culture, Media and Sport (Jeremy Wright): The BBC is a fundamental part of the social and economic fabric of this country. It is important for people of all ages, but particularly for older people, who value television as a way to stay connected with the world.

The Government recognised the importance of the licence fee when we agreed a funding settlement with the BBC in 2015 to provide the BBC with financial certainty to plan over the long term. We agreed to take action further to boost the BBC's income by requiring iPlayer users to have a TV licence, and we unfroze the licence fee for the first time since 2010 by guaranteeing that it will rise each year in line with inflation.

In return, we agreed that responsibility for the over-75 licence fee concession would transfer to the BBC in June 2020. We agreed a phased transition to help the BBC with its financial planning as it did so. This was a fair deal for the BBC. At the time, the BBC director-general said the settlement represented

“a strong deal for the BBC”,

which provided “financial stability”.

The BBC is operationally independent, so the announcement yesterday is very much its decision, but taxpayers want to see the BBC using its substantial licence fee income appropriately to ensure it delivers for UK audiences, and that includes showing restraint on salaries for senior staff. In 2017-18, the BBC received over £3.8 billion in licence fee income—more than ever before. The BBC is also making over £1 billion a year from commercial work, such as selling content abroad, which can be reinvested. So we are very disappointed that the BBC will not protect free television licences for all viewers aged 75 and over.

The BBC received views from over 190,000 people as part of its broader public consultation, which sought opinions on a number of options. With a number of proposals on the table, the BBC has taken the most narrowly defined reform option. I firmly believe that the BBC can and should do more to support older people, and I am now looking to it to make clear exactly how it will do that.

Tom Watson: We found out yesterday just how little a Tory manifesto promise is worth. I have read these words in the Chamber before, but I will read them again:

“We will maintain all...pensioner benefits, including free bus passes, eye tests, prescriptions and TV licences, for the duration of this parliament.”

No ifs, no buts, no wavering—a promise made in 2017 to voters by the Conservative party.

Today, 3.7 million over-75s find that promise in tatters. They have been betrayed, and it is shameful. The Government have the breathtaking gall to blame the BBC for this mess, but passing the buck will not work. The BBC is not the Department for Work and Pensions.

Public broadcasters should never be responsible for social policy. My hon. Friend the Member for Rhondda (Chris Bryant) warned in 2015 that this was a “smash and grab raid” by the Government on the BBC. He was right, and now older people are paying the price. There are 1.8 million over-75s who live completely alone, and they will lose their TV licence because of the announcement. How can the Secretary of State justify that? We cannot means-test for loneliness or social inclusion.

What about the very poorest in our nation who are eligible for pension credit but do not claim it? How will the Secretary of State protect them? Two of the Tory leadership candidates—the former Leader of the House and the Home Secretary—have committed to overturning the decision. Perhaps they know how it will look to the rest of the world when we start jailing pensioners who cannot or will not pay the licence fee.

I would like to share some figures with the House: 4,240 older people in Uxbridge will lose their TV licence; 5,970 people in West Suffolk will be affected; and 6,730—the number in South West Surrey. The right hon. Member for Uxbridge and South Ruislip (Boris Johnson) wants to give a tax cut to the very richest, but he will not lift a finger to defend pensioners. The Health Secretary says he cares about social care, but he will not defend pensioners either. The Foreign Secretary tells us that he cares about the chronically lonely, but he will not defend even the loneliest pensioners. Is it therefore any surprise that the country's pensioners are asking whether the leadership candidates will honour their word and keep their promise, or break it?

This is a test not just of leadership, but of honour, integrity and truthfulness. Does the Secretary of State agree that someone who cannot keep a promise is not fit to be Prime Minister? It is as simple as that.

Jeremy Wright: Well, Mr Speaker, it is not quite as simple as that. The hon. Gentleman knows I have a good deal of respect for his passion and his consistency. I accept that he has always argued that it was wrong to transfer the responsibility to the BBC, but the arguments he makes today were better suited to our debate on the Digital Economy Act 2017. Indeed, he made those arguments then—I accept that. However, the argument was had, a vote was conducted and a result was recorded. Consequently, the BBC has the responsibility for deciding what to do about the licence fee concession. That is a fact.

The hon. Gentleman raised several concerns and I will try to deal with them. First, he is rightly concerned about those who are elderly and lonely. I know that he will recognise that the Government have not relied on the BBC to do something about those who are lonely. We are the first Government to appoint a Minister for loneliness, to have a loneliness strategy and to commit £11.5 million to pay for several programmes under the Building Connections fund. The Government take loneliness seriously and have put our money where our mouth is.

The hon. Gentleman also raised concerns about the poorest pensioners. Let me say two things on that. First, as he knows, the Government have put considerable effort into raising pensioners' living standards. We have increased the basic state pension by significant amounts. It is today £675 higher than if it had simply been uprated by earnings since 2010. In cash terms, that is

£1,600 more for every pensioner. We take seriously the responsibility to look after those who do not have means and are pensioners. Again, we have put our money where our mouth is.

The hon. Gentleman made a good point about eligibility for pension credit. It is important that all those who are eligible claim it. That is exactly what we, too, believe should happen. My colleagues in the Department for Work and Pensions have been working hard on that. I and they expect the BBC to help us in that task by ensuring that, as the opportunity presents itself, people who do not yet claim pension credit but are entitled to it do so. I hope that we will have the hon. Gentleman's support in that process.

It is important to stick to the facts and not to scare people unnecessarily. It is important to understand that the change will not happen immediately, but next year, and that those who are entitled to pension credit can still have a free TV licence. It is also important to understand that evasion of the licence fee is not an imprisonable offence. It is helpful if we do not mislead people on those points.

I have said that the Government have put their money where their mouth is in looking after the individuals about whom the hon. Gentleman is rightly concerned. The House and pensioners over the age of 75 have a right to expect the same of the Labour party. If the hon. Gentleman wishes to come here and express his outrage about the transfer of responsibility to the BBC and away from the taxpayer, does he accept that it should be transferred back? If so, where will the money come from? He is offering to commit to £500 million of extra public spending. We are all interested to know where it will come from.

Mr Edward Vaizey (Wantage) (Con): My right hon. and learned Friend knows that there is no job in the world I would like more than his. He will therefore be delighted by what I am about to say because it will preclude any future Conservative Prime Minister from giving me the job.

I was in the Department for Digital, Culture, Media and Sport when the Treasury imposed the policy on the BBC to meet its £12 billion welfare target, which I doubt we have met and has long been forgotten. The Government should either take back the policy or support the BBC changes. They should not use weasel words to undermine the changes that the BBC has made. It is interesting that 40% of those over 75 subscribe to paid-for television services as well. We should support the BBC in making the changes.

Jeremy Wright: I respect my right hon. Friend's experience in this matter. I am tempted to say that if he really wants my job, today would be a very good day for him to have it, but I do not think I will make that offer.

My right hon. Friend is right that the BBC's decision must be respected, but we all have a right to express our view on the decision. It is a BBC decision—I have clearly accepted that; it is what the statute says—but we all have a right to express our view and I have been frank with the House in saying that I am disappointed that the BBC has not been able to do better. I think it still can do better and I intend to use the forthcoming period to persuade it to do so.

Neil Gray (Airdrie and Shotts) (SNP): As much as they try, Tory Ministers cannot wash their hands of this terrible decision. A Tory Chancellor, George Osborne, proposed handing responsibility for the licence fee concession to the BBC as part of a disastrous charter for the BBC. The Government knew exactly what they were doing and they knew that this would be the result.

The right hon. Member for Tatton (Ms McVey) has made the matter a Tory leadership issue, even if I have more chance of scoring the winner tonight in Belgium than she has of becoming Prime Minister. Every single Tory leadership candidate must answer the question: "Will you bring the TV licence fee concession back to the Government?" That is the only way pensioners will avoid losing out—some 300,000 in Scotland; 3,000 in Airdrie and Shotts. Age Scotland reckons that 76,000 pensioners in Scotland do not claim pension credit even though they are entitled to it.

In the light of that decision, what consideration has the Minister made of funding the BBC to reverse it? How does this decision square with the 2017 Tory party manifesto commitment that helped to elect the Minister, which promised to, and I quote from page 66,

"maintain"

pensioner benefits,

"including free bus passes, eye tests, prescriptions and TV licences, for the duration of this Parliament".

The Tories promised pensioners that their free TV licences would remain. They must honour that promise.

Jeremy Wright: The hon. Gentleman says that we should ask Conservative party leadership contenders whether they will bring this obligation back to the taxpayer. I hope that he will ask the same question of Opposition Front Benchers, and not just that question but the follow-up question: if they intend to do that, where will they find the money to pay for it? Will they cut elsewhere? Will they borrow more? That follow-up question must be asked of all those who argue that we should reverse course on what Parliament voted for in 2017.

The hon. Gentleman says that the Government knew what they were doing when this arrangement was made in 2015. I suggest that the BBC also knew what it was doing. It is important to remember what the BBC said at the time. Let me quote what the director-general of the BBC said on the "Today" programme after the deal was done in 2015:

"The Government's decision here to put the cost of the over-75s on us has been more than matched by the deal coming back for the BBC."

That is what he said. If we all enter these deals with our eyes open—we all should—we should all be responsible for the decisions we take.

Mr John Whittingdale (Maldon) (Con): May I respectfully say to my right hon. and learned Friend that when the decision was taken it was understood that this would be a possible outcome, not least because to maintain the existing concession would cost the BBC nearly £1 billion by the end of the charter period, which would mean either huge programme cuts or increasing the licence fee for the under-75s to nearly £200? Does he accept that restricting the concession to those over-75s on pension credit will provide help to elderly people on

[Mr John Whittingdale]

low incomes, and if it is publicised properly, it should actually significantly increase the take-up of pension credit?

Jeremy Wright: Yes. My right hon. Friend's last point is an important one. As I said earlier, it is important that we raise the take-up of pension credit. There are tens of thousands, if not hundreds of thousands, of older people in our society who are entitled to help they are not currently receiving. If the BBC can assist in that process, by getting the message across that they are entitled to that help and that they will be able to claim it, that would be a good thing. I entirely respect his experience in the process that has led up to this point. As I said earlier, I accept that there are hon. Members who feel passionately that the decision taken in 2017 was the wrong one. I understand that that is their view, but it was the decision taken, and as a result, this is a BBC decision to make.

Mr Ben Bradshaw (Exeter) (Lab): While the then BBC management was extremely foolish to accept this albatross around their neck—we warned them at the time—I am absolutely aghast that the then Culture Secretary and his junior Minister sitting behind him, the right hon. Members for Maldon (Mr Whittingdale) and for Wantage (Mr Vaizey), seem to be washing their hands of the responsibility. They were the people in charge and they just caved in to the Treasury—extraordinary! The Secretary of State, defending the BBC, should stand up to the Treasury. Is it not the truth that this is nothing to do with the BBC? This is about a Government who have deliberately passed responsibility for what should be a social security issue on to our main public service broadcaster.

Jeremy Wright: I will not repeat what I have said about the decision and the process that was undertaken in 2017, but the right hon. Gentleman knows better than many people in this House how collective responsibility works. He knows that the Government stand behind decisions they make collectively.

Sarah Newton (Truro and Falmouth) (Con): I would like to put in a word for BBC local radio. We have talked a lot about television, but many of my constituents love BBC Radio Cornwall. That is paid for by the licence fee, as well as the World Service, which is an extraordinarily good broadcaster. Clearly, the BBC said at the time that it would be able to keep this concession in exchange for increases in the licence fee, and it does have £5 billion of income. I am really disappointed that the BBC is doing this to some of its core listeners, but I do think that it is important the Secretary of State does what the Prime Minister said yesterday, which is sit down with the BBC and sort this out.

Jeremy Wright: I can tell my hon. Friend that I will be sitting down with the BBC to discuss this issue. As I said, this is a BBC decision. Statute gives this responsibility to the BBC to decide the question, but we can have further conversations, and we should, about what else the BBC can do to help precisely the people the hon. Member for West Bromwich East (Tom Watson) raised at the outset, about whom we are all concerned: those who are elderly and those who rely on the television for all sorts of things.

Christine Jardine (Edinburgh West) (LD): The Secretary of State says that it is a simple matter and, yes, it is. This is the simple fact of a political decision being forced on a broadcaster. The BBC is not responsible for pension credit; the Government and the DWP are. By criticising the BBC for this decision, does he accept that he is undermining the BBC's independence in a way that is completely unacceptable?

Jeremy Wright: No. I accept entirely that the BBC is not responsible for pension credit. It is, however, responsible for making a judgment on whether or not to continue with the BBC licence fee concession. It is not compromising its independence to say so; it is a restatement of what the Digital Economy Act 2017 says. The Act was passed by this House. I respect the BBC's independence—I made that clear among the first things I said—but I think we are all entitled to express a view on whether we think the BBC has tried as hard as it might to help precisely the people we are all concerned about.

Damian Green (Ashford) (Con): My right hon. and learned Friend is right that the maintenance of the concession for those on pension credit is the key to what happens next. May I introduce some maths into this? At the moment, roughly a third of pensioners who are eligible for pension credit do not claim it. That saves the Government about £3 billion a year. That is a considerably larger figure than is being talked about here in terms of the licence fee concession. Have the Government made any calculations about what will happen if even half of those who are eligible for pension credit now start claiming it? It seems to me that that would be a lot more expensive for the Government than maintaining the concession.

Jeremy Wright: My right hon. Friend knows, from his experience as a former Secretary of State in the relevant Department, that the irony of the situation is that this is a saving the Government do not wish to make. This is something the Government wish to change. We want more people to come forward and claim pension credit. Therefore, it is entirely in the interests of Government policy that we command the BBC's support in getting those numbers up. I very much hope that is what happens.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Secretary of State admitted that Ministers pushed this on the BBC, and all the Government's Back Benchers voted for this policy in the face of all the warnings and knowing what the consequences would be, so forget the crocodile tears. The truth is that his Government are supporting taking away £150 from pensioners who are on about £10,000 a year, while Ministers and Government Back Benchers are careering around the country promising £3,000 in tax cuts for people who are on 10 times more than those pensioners. On what planet is that fair?

Jeremy Wright: No, I am not careering anywhere and I have not admitted any such thing. What I said was that when this deal was made, both sides—the Government and the BBC—ought to have known what they were doing. As I indicated, the BBC made it clear at the time that it believed the settlement reached in 2015 was, overall, a fair settlement. The consequences of that arrangement and the Digital Economy Act 2017 mean

that the BBC has to make a judgment about what to do with the BBC licence fee concession. It has made that judgment. We are all entitled to say what we think of it, but in the end it was its judgment to make from the point at which that 2017 legislation was passed.

Sir William Cash (Stone) (Con): Does the Secretary of State accept that the BBC's income is about £5.5 billion a year? That is where the perspective needs to be presented. It is outrageous that this decision has been made in the manner in which it has been made. It is not necessary. Furthermore, I believe that the Government, under a new Prime Minister, must review the situation. Does the Secretary of State agree that the BBC does not give value for money and requires radical reform?

Jeremy Wright: No, I cannot entirely agree with my hon. Friend on that. I think that the BBC presents huge benefits to our society and to the nation beyond our shores. It is right that the BBC receives substantial income—I should say in the BBC's defence that it has important responsibilities to carry out with that income and we expect it to do so—but it is also right that we expect the BBC to use its imagination and work hard to find ways to supplement what it has now agreed to do in the interests of older people, about whom we are all concerned.

Mr Gregory Campbell (East Londonderry) (DUP): I speak in support of the renewed campaign to retain the free TV licence for over-75s. Four years ago, the BBC agreed to the new regime, as the Secretary of State said. The demographics of the over-75s have not changed much since that time and nor has the take-up of pension credit. Four years ago, did the BBC raise either of those issues, which it now complains about to the rest of us?

Jeremy Wright: Of course, I was not present for those negotiations, so I cannot tell the hon. Gentleman that. What I can say is that they were not conducted at gunpoint. They were conducted by two sides who ought to have understood the consequences of the obligations that they were taking on. I realise that this is a difficult concept for Opposition Front Benchers, but it is important that we all, when we take on a financial commitment, know how to pay for it.

Huw Merriman (Bexhill and Battle) (Con): I declare an interest as the chairman of the all-party group on the BBC. A consultation was launched, to which 190,000 people responded, and the pension credit option, which the BBC has selected, was the preferred outcome. However, although we talk about the BBC having options and choices, we did not provide almost £750 million-worth of funding in the intervening years for it to make that choice. I also say, perhaps to all Members of the House: what is so fair about allowing millionaire over 75-year-olds to have a free TV licence when they may have Sky TV, yet those in their 20s are struggling to buy their own homes?

Jeremy Wright: My hon. Friend's points have been made elsewhere, both within the Houses of Parliament and beyond them. It is right to expect the BBC to consider carefully the responsibility that it has inherited. I have said before that I welcome the fact that the BBC conducted a full consultation, and the scale of the

response shows that people took the consultation process seriously. It has considered the consultation responses and has come to a conclusion. I am disappointed at the conclusion that it has reached, but I accept that as a result of the statutory changes we made, it is the BBC's decision, not the Government's.

Tracy Brabin (Batley and Spen) (Lab/Co-op): Twenty years ago, I played a character in "Coronation Street" called Tricia Armstrong, who was imprisoned for not paying for her TV licence. That caused quite a furore and, in fact, was mentioned in this place at the time. I know that people do not go directly to prison any more for not paying for it, but of the 6,000 constituents of mine who will be affected by this change, I know that there are many who are so proud that they will never claim a benefit such as pension credit and will never claim support for their TV licence. What is the Minister going to do for those who will not claim, who do not want to be criminalised and are therefore prepared to let their TV licence go? Will the Minister with responsibility for loneliness—the Under-Secretary of State for Digital, Culture, Media and Sport, the hon. Member for Eastleigh (Mims Davies)—be doing an audit on this?

Jeremy Wright: Of course, we want to make sure, in conjunction with the BBC, that everything that can be done to make sure that people do not find themselves in that position is done. The BBC has ways to contact people that are not available even to the Government. It is important that it makes use of every device that it can think of to get the message across that if people need this support and are eligible to claim pension credit, they are entitled to a free TV licence. It is important that we all help to get that message across.

Sir Peter Bottomley (Worthing West) (Con): I do not have an over-75s TV licence because I do not qualify for one, but I will.

My view, as an officer of the all-party group on the BBC and as someone who has been watching the consultation, is that the BBC was required to make a proposal and it is doing so. This is not a still photograph; it is a moving picture. We should be asking in Parliament and in the Government, because there is a great range of views: what do we want to happen?

My view is that we should raise the 75 age threshold by one year every two years, because of longevity, and we ought to add the value of the concession, together with the free bus pass, to the tax allowance for the over-75s, so that those of us who are earning well or have a good pension are contributing, without having them taken away. That would be simple and easy.

Mr Speaker: Enjoy the next 49 days—plus the year, of course.

Jeremy Wright: My hon. Friend makes an interesting suggestion. He will know that one of the options that the BBC considered and consulted on was raising the threshold from 75 to 80. I appreciate that he is suggesting a rather more subtle variant of that. I want to continue the conversation with the BBC about what else it might be able to do, but I recognise that this specific decision is the BBC's to make and that it will make that in the form that it thinks is most appropriate.

Mike Gapes (Ilford South) (Change UK): It is not just this issue that is affected by the way the funding arrangements have changed. Until 2010, the BBC World Service was funded by the Foreign and Commonwealth Office, but £253 million in funding was stopped and the BBC was given the responsibility. Does the Secretary of State accept that the FCO has subsequently given money to the BBC for language services, so there is a precedent? Could we get around this by the Government paying the entirety of the World Service funding as they used to, so that we would not have this problem?

Jeremy Wright: Well, I do not know whether that is a way to deal with the whole issue, as the hon. Gentleman suggests, but he is right to point out that since the licence fee settlement, the Foreign and Commonwealth Office has announced direct funding, in fact, of £255 million over three years to support language services for the World Service. He is right to point out that other streams of income are involved, but of course, we are talking about very much larger sums than that over a prolonged period in connection with this concession.

Peter Heaton-Jones (North Devon) (Con): I worked for the BBC on and off for 20 years and it is an organisation that I love. I am not now and will never be a Tory Beeb basher, but on this, it has got it wrong. The BBC gets a guaranteed income from licence fee payers of £4 billion a year in a deal that the BBC was eager and enthusiastic to accept, because that gave it a guaranteed cash income that commercial organisations can only dream of. And now the BBC tells us that it cannot afford to continue this concession. Will my right hon. and learned Friend work with the BBC to ask it to live within its means, stop scaremongering about cuts, be more accountable in the way it spends our money and reverse this decision?

Jeremy Wright: I shall certainly continue to engage with the BBC and to continue to ask it to live within its means and provide the services that my hon. Friend and I both want to see it provide to a very high standard. As he will recognise, this decision is one that we have already transferred to the BBC. It is the BBC's decision to make, but I do not believe that this is the end of the conversation about what more the BBC can do to assist the older people we are all particularly concerned about.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): In response to the shadow Minister, the hon. Member for West Bromwich East (Tom Watson), the Secretary of State said that the Government are simply taking forward a decision of the House under the Digital Economy Act 2017. For the purposes of transparency, will he tell the 4,030 pensioners in my constituency of Paisley and Renfrewshire North, representing three quarters of all over-75s, which two parties during the passage of that Act voted against the Government continuing to fund this scheme?

Jeremy Wright: I am very happy to make it clear that the Scottish National party voted against these changes, as did the Labour party, as I said. The hon. Gentleman will recognise, inconvenient though this sometimes is, that decisions in our democracy are made by majority, and that is the same in this House.

Mr William Wragg (Hazel Grove) (Con): The 2017 Conservative manifesto contained a number of interesting ideas, some of which it has been more convenient to forget from time to time. In this instance, it was quite categorical, so will my right hon. and learned Friend in some way, shape or form ensure that the over-75s maintain their free TV licences for the duration of this Parliament?

Jeremy Wright: As I have made clear, this decision is not for the Government to make any longer; it is for the BBC. We made clear our expectations before the decision was taken; I have made my views to the BBC clear since the decision was made; and I shall continue to make arguments to the BBC about what more can be done.

Janet Daby (Lewisham East) (Lab): In Lewisham East, 3,410 pensioners will lose access to free TV licences, which will perpetuate feelings of loneliness and isolation. The Government are clearly refusing to accept responsibility—indeed, they are dodging responsibility—for breaking a promise made in their 2017 manifesto. Does that mean the Tory Government cannot be trusted?

Jeremy Wright: No, of course not. More to the point, if the hon. Lady is concerned about loneliness—I accept in good faith that she is—I hope she recognises that the Government have taken material action on loneliness more than any Government before. We take these matters so seriously that, as I have said before, we are prepared to put our money where our mouth is on loneliness—and we have done so.

Andrew Bridgen (North West Leicestershire) (Con): Does my right hon. and learned Friend agree that instead of forcing the over-75s to pay the compulsory TV tax, with the threat of criminal prosecution, the BBC, which consistently tells me that it is the best in the world, should move to a subscription model and sell its services to those who wish to buy them all across the world? The current system is completely unfair, because every time it is heads the BBC wins, tails the taxpayer loses again.

Jeremy Wright: As my hon. Friend knows, the question of replacing the licence fee with a subscription model or any other model was considered relatively recently and the licence fee model was considered still to be the best one to pursue. I do not believe this is the right time to review that question.

Julie Cooper (Burnley) (Lab): It is not the BBC's responsibility to guarantee free TV licences for the over-75s any more than it is the energy companies' responsibility to provide the winter fuel payment. The Conservatives' manifesto was very clear: they committed to protecting free TV licences for all over-75s. Some 3,600 pensioner households in my constituency have been betrayed. What message would the Secretary of State like to send to them? How can they trust a word the Conservative Government say ever again?

Jeremy Wright: I am afraid the hon. Lady is wrong. It is the BBC's responsibility to decide what to do about the licence fee concession; it says so in the Digital Economy Act 2017. As it happens, this is the sequence of events: the Digital Economy Act passed and received

Royal Assent before the 2017 general election. She is simply wrong to say that it is the Government's responsibility. It is not; it is the BBC's decision to make.

Maggie Throup (Erewash) (Con): I add my name to the list of MPs bitterly disappointed at the BBC's reneging on its 2015 deal. I hope BBC bosses are listening to the debate and will listen to my constituents and everyone else's, because they depend on other people paying their licence fees. If the BBC does not feel that it has a moral obligation to uphold that deal, will my right hon. and learned Friend do everything in his power to ensure that it informs every single person over the age of 75 who will lose the concession, so that they know what steps to take to avoid ending up without a TV licence?

Jeremy Wright: My hon. Friend makes a good point about communication. It is important that the BBC does its utmost to ensure that such changes are communicated in a responsible, accurate and helpful way so that those who are still entitled to help can receive it.

Frank Field (Birkenhead) (Ind): As the Government decided to subcontract a key election promise and the subcontractor has failed to deliver on it, might they not take the decision back in-house and fulfil their election promise?

Jeremy Wright: The right hon. Gentleman knows that the process is in statute. If the Government were to seek to pursue a different course, we would have to bring further primary legislation before the House. I do not believe that is necessary. What is necessary is for the BBC to sit down with us, as I am sure it will, and talk about what more it can do beyond the decision it announced this week to assist those in greatest need of the assistance that the concession offers. That, we will do.

Simon Hoare (North Dorset) (Con): I, too, am a huge supporter of the BBC, but this decision stinks and it needs to rethink it. It has resiled from a commitment and based the decision on the wrong argument. To pick up the point made by the hon. Member for Batley and Spen (Tracy Brabin), the pride of many over-75s, who do not want to be part of the benefits culture, will not drive them to claim pension credit merely to get a free TV licence. They will suffer to scrape the money together to avoid and avert the loneliness and isolation of not having the TV, their only companion. When my right hon. and learned Friend talks to the BBC, will he make the point, which I do not believe it understands, about the pride of this generation and their aversion to being part of a benefits culture?

Jeremy Wright: My hon. Friend makes a fair point, but it is important that the BBC does everything it can—we will assist it in the process—to ensure that the scenario he outlines does not happen. Actually, as my right hon. Friend the Member for Ashford (Damian Green) mentioned, there is an opportunity to do something about the ongoing problem of underclaiming of pension credit by those entitled to it. We should look to do something about that, which, as I have made clear, the Government have sought to do for some time.

Mr Clive Betts (Sheffield South East) (Lab): More than 4,000 of my constituents will lose their free TV licences. Will the Secretary of State explain to them

simply and clearly how he expected to keep the promise made to them in the 2017 manifesto about their free TV licences? What mechanism did he intend to use?

Jeremy Wright: As I have said, the Government's view as to what we expected of the BBC was clear. It was expressed clearly a number of times, including by me and indeed by the Prime Minister. However, the statutory fact of the matter is that this is a decision for the BBC to take. We made our view very clear, and other hon. Members made their views clear too, but it remains the BBC's decision to take. I regret that it took the decision it did, and we must now speak to it about what more can be done.

John Howell (Henley) (Con): Lord Hall is quoted today as saying that many feel that

"the Government should continue to foot the Bill."

Does the Secretary of State have an idea of what caused the change of thinking in the BBC? Would he like to say a little more about what he expects the BBC to do to support older people?

Jeremy Wright: I do not know what caused the change of view. There has been a gradual process—a transition—during which public subsidy has diminished and the BBC's responsibility for covering the cost has increased, so this is not an immediate, overnight change. The BBC has covered such costs in larger and larger amounts for two years. It is up to the BBC to determine what more it feels it can do to support those most vulnerable pensioners.

For those asking what more can we do, I think I have made it clear. The Government have already done a huge amount for pensioners. We have made substantial inputs into ensuring that the poorest pensioners in our society are properly supported. The BBC needs to talk about and think about what more it can do. That is exactly the conversation I intend to have.

Ben Lake (Ceredigion) (PC): I agree with colleagues who have expressed opposition to the decision. Unfortunately, it is an inevitable consequence of the Government effectively outsourcing austerity by transferring responsibility for the over-75s concession to the BBC. If the Government will not right that wrong today, will the Secretary of State at least outline how he intends to increase the take-up rate of pension credit, which as has already been mentioned is at the dismal level of 60%, to ensure that those entitled to it do not lose out twice?

Jeremy Wright: Yes, and I hope that as a result of this debate about the licence fee concession many people who are entitled to pension credit but are not claiming it may have their attention drawn to that fact, recognise that they can claim, and do so. We, with the BBC, will certainly give thought to the hon. Gentleman's suggestion about how that can be best communicated.

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): The television is a window into the world for lonely elderly people, and may be their only company for long periods. We keep hearing about millionaire pensioners receiving free TV licences, but this decision is not about millionaires. Pension credit is available only to single people with weekly incomes of less than £167.25 and couples whose weekly incomes are less than £225.25.

[Dr Caroline Johnson]

That is not a lot of money. Those who just miss out on pension credit will struggle to find the money for the TV licence. Will my right hon. and learned Friend do all that he can to persuade the BBC to reverse its decision?

Jeremy Wright: I share my hon. Friend's disappointment, for the reasons that she has given, and the answer to her second question is yes.

Toby Perkins (Chesterfield) (Lab): It is clear from the Secretary of State's answer to the question from my hon. Friend the Member for Sheffield South East (Mr Betts) that the Government made a promise in their manifesto, but knew at the time that it was not theirs to make. The Secretary of State has said that he is disappointed with the BBC. Will he clarify whether, during those discussions with the BBC, it ever promised the Government that for the foregoing period of that settlement it would retain free TV licences for all pensioners?

Jeremy Wright: I was not present at those discussions, but it is very clear, is it not, that if someone wants to know roughly how much the financial obligation they are taking on will be, there are ways in which to establish that. One would assume that the BBC carried out exactly that exercise, and therefore knew what it was taking on when it made the agreement; hence the disappointment that I have expressed today.

Eddie Hughes (Walsall North) (Con): It appears to me that the elderly, vulnerable people of Willenhall, Bloxwich and Walsall North are being asked to contribute to the £1.75 million salary of Gary Lineker, which does not seem particularly fair. Does the Secretary of State agree?

Jeremy Wright: My hon. Friend has heard me say that I think one of the things that the BBC must always have an eye on is the need to control salary levels, which, as he says, the people who are licence fee payers expect to be within sensible bounds. I know he will recognise that one of the reasons we know these things is the transparency that the Government have brought about, and that is a good thing, but I think he has made an interesting and fair point.

Wes Streeting (Ilford North) (Lab): I can tell the Secretary of State that Gary Lineker is a lot more popular than the Tories.

We have been here before. The Government hiked up council tax to offset Tory cuts in council services. They introduced a care tax to offset Tory cuts in social care. They introduced a policing tax to offset cuts in policing. Now every single pensioner in the country will know that the Tories made a promise in their manifesto which they could not keep and never intended to keep. When it comes to the next election, those pensioners will remember that, and will remember that they are paying more under the Tories, because of the Tories, for worse services cut by the Tories.

Jeremy Wright: I think that the hon. Gentleman has slightly overstated his case, but if he is concerned about the value of promises, let me say to him that I am still waiting to hear from any Labour Member how exactly Labour intends to fund the promise that it appears to be

making to put matters back to the way they were. If they believe that promises are important, they ought to be able to explain how they intend to pay for theirs.

Bob Blackman (Harrow East) (Con): It was fairly obvious that the BBC would seek to minimise the loss of revenue as a result of this decision. We know that we have a severe underspend on pension credit, and we also know from the database how many over-75s live alone or live together as a couple. Clearly that promise should be kept, and those people should receive free TV licences. I have less sympathy when it comes to large families with wage earners who could pay for the licence. Will my right hon. and learned Friend use this as a means of discussing with the BBC what it should do to honour the commitment that it made?

Jeremy Wright: Yes. As I have said, I will continue to have those conversations. As my hon. Friend will recognise, there were other ways in which the BBC could have approached this issue—even if it took the view that the full concession should not be maintained—and it consulted on some of them. We will, of course, discuss these matters further with the BBC.

Stella Creasy (Walthamstow) (Lab/Co-op): The Secretary of State may not accept the moral case for keeping the pledge in his manifesto, but there is a good, cold, hard economic case for resolving this too. He said earlier that pensioners would not go to prison, but we know that people go to prison for not being able to pay the fine for not holding a licence. Does he accept that the cost to the public purse of the prosecutions and the potential incarceration of pensioners, and indeed the consequences of pensioner poverty, far outweigh any benefit from this? Just like the bedroom tax, this is a false economy. Rather than avoiding responsibility for it, the Secretary of State should act on behalf of public taxpayers and get it sorted.

Jeremy Wright: As I said earlier, it is important to be accurate about what may or may not happen. The scenario that the hon. Lady has set out is not one that any of us wants to unfold, and one of the conversations that must now take place with the BBC is about ensuring that we do everything possible to avoid it.

Nigel Huddleston (Mid Worcestershire) (Con): I am a huge supporter of the BBC and normally support the director-general, Tony Hall. Can the Secretary of State confirm that Tony Hall was in the room when the negotiations took place, that he accepted the terms, and that he called the deal a good financial settlement? Perhaps, however, we could help the BBC to fill the gap by enabling and encouraging it to exploit its valuable library further, for instance through streaming and other commercial opportunities.

Jeremy Wright: I am grateful to my hon. Friend. He knows that that is exactly the sort of option that the BBC is considering, as indeed it should. He is also right to say that Tony Hall was fully engaged in those negotiations. I know he will understand that it is important that I continue to discuss with the BBC not just the matters that he has raised but other matters too, and I shall do so.

Sammy Wilson (East Antrim) (DUP): The BBC was very happy to grab a contract that gave it an increase in the licence fee when it was offered that contract by the

Government, in the full understanding that it would have to cover for the over-75s. However, it continues to squander money. For example, 150 people there are paid more than the Prime Minister. The Newsgathering agency pays far more than commercial enterprises. When will the Secretary of State hold the BBC to account by saying, "Either you honour this contract, or we take the money back from you and make the free TV licences available ourselves?"

Jeremy Wright: As the right hon. Gentleman knows, the position is resolved in statute, and unless we choose to change that statutory position, this remains a BBC decision. As I have said, however, I do not think that it is the end of the story. I think that the BBC can do more than it is currently proposing to do, and I intend to continue to put pressure on it in that regard.

Martin Vickers (Cleethorpes) (Con): This day was inevitably going to come, given the policy concerned. When the Secretary of State responds by saying that this is a BBC decision, he is in fact saying that the BBC, an outside organisation, has a veto over the Conservative Government's delivery on their manifesto commitment. May I join my hon. Friend the Member for Hazel Grove (Mr Wragg) in inviting my right hon. and learned Friend to confirm that he will ensure that the Government fulfil that manifesto commitment?

Jeremy Wright: My hon. Friend will recognise that the delivery of many manifesto commitments requires the co-operation and assistance of others, and this is one of them. We made clear our expectations, and I hope that we have made clear our disappointment. What we must do now is engage further with the BBC about what further action it can and should take.

Diana Johnson (Kingston upon Hull North) (Lab): I have listened carefully to what the Secretary of State has said, and I am getting a bit sick and tired of the weasel words that he is using. It was quite clear to the 9,000 over-75s in Hull who are to lose their free TV licences that it was a manifesto promise made by the Conservatives in 2017 that they would not lose those licences. As the hon. Member for Cleethorpes (Martin Vickers) has just said, surely a manifesto promise is the responsibility of the Government, and the Government should ensure that it is implemented.

Jeremy Wright: I think that the responsibility of the Government is to continue to discuss with the BBC how this can best be done. This is a BBC responsibility, and those are not weasel words. It is a matter of fact. It is what the statute says, and we must therefore work within the bounds of what that statute tells us. But within those boundaries I believe the BBC can do more even if we accept, as I believe we have to, that this is a BBC decision from the outset. Now that it has made this call, we need to talk to it about what more it can do to address the concerns of the older people that I know the hon. Lady and others are concerned about.

Mr Philip Hollobone (Kettering) (Con): Is the truth of the matter not that both the BBC and Her Majesty's Government are at fault over this issue? On one hand my constituents in Kettering are outraged that, having accepted the financial settlement in 2015 and an increase

in the licence fee for all the rest of us, the BBC should effectively renege on that commitment by targeting the over-75s at a time when it spends zillions of pounds on overpaid presenters and other so-called stars. At the same time, both my right hon. and learned Friend and I were elected on the Conservative manifesto, which promised pensioners that they would retain their free TV licences. We have already broken one huge manifesto commitment to leave the EU on 29 March, and I suggest we do not add to that list.

Jeremy Wright: I am sure, Mr Speaker, that you will not want me to engage in that particular manifesto commitment, but let me deal with the other one. It is important, as I have said, that the BBC, which does have this responsibility, takes it seriously and makes the best judgment it can, but also that once the BBC has made that judgment we talk to it about what other things can be done in pursuit of the assistance that we all agree needs to be delivered to the most vulnerable older people in our society.

Patricia Gibson (North Ayrshire and Arran) (SNP): This measure means that 5,100 of my constituents will lose out—a whopping 72% of those who currently qualify—and for the record I am appalled at the blatant attacks I have heard today on the very principle of universalism. Is the Secretary of State comfortable—a yes or no answer will do—with people in their 80s and 90s facing prosecution for not having a TV licence while Tory leadership contenders line up to compete about who can implement the biggest tax cuts?

Jeremy Wright: I am not here to speak for any leadership contender; I am here to speak for the Government, and the Government have the responsibility to make sure the BBC carries out its particular obligations under the Digital Economy Act 2017, but that we have the opportunity thereafter to talk about what more can be done, and that is exactly what we are going to do.

Judith Cummins (Bradford South) (Lab): Nearly 3,500 households in my constituency are now set to lose their free TV licences next year despite a Conservative manifesto promise that they would be kept. This is an outrage. So will the Government apologise, do the right thing, and commit today to funding these TV licences at the very least until the end of the next Parliament?

Jeremy Wright: I hope I have made it clear that I think the right thing to do is accept what the law requires as things stand but to work with the BBC to make sure that those in greatest need are properly looked after, and that is exactly what we intend to do.

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): The 1,440 of my constituents who are affected are not going to be impressed by the Government's shamefaced turnaround on this issue after having committing to upholding the free licence fee. The Secretary of State might say that the Government are not responsible for this, but they are responsible for the increase in pensioner poverty, loneliness and isolation that will ensue, so what are the Government going to do to mitigate those inevitable impacts and guarantee that those detriments are reversed?

Jeremy Wright: I gave the House the statistics some moments ago: the position is radically improved since 2010 for pensioners who rely on a state pension. That is what this Government have done to make sure that pensioner poverty is tackled. We have done more than Labour ever did, and I will take no lectures from the hon. Gentleman about what it is to look after pensioners; it was not our Government who came up with a 75p increase in the pension. So we will do what is necessary to look after the welfare of the poorest pensioners, but the position on the licence fee is as I have set it out.

Rachael Maskell (York Central) (Lab/Co-op): The Secretary of State shifts the blame on to the BBC, shifts the pain on to 3,300 of my constituents, and stands there in shame for breaking this promise to the British people. He is in government; he can change the law, take this back into the Department and make this promise good. Will he do that?

Jeremy Wright: This is the BBC's responsibility. It is not shifting the blame to say so; it is pretty much quoting word for word what the Digital Economy Act 2017 says. What we should now do is seek to address what else the BBC can do in this space, and that is what we are going to do.

Stephen Morgan (Portsmouth South) (Lab): I have written to Portsmouth pensioners to understand the impact the change to the TV licence scheme would have on their lives, and as one 95-year-old constituent told me:

"I lost my wife in January and now I spend a lot of time alone. Having the TV on is like having someone with me, I do not know what I would do without it."

How would the Secretary of State advise me to respond to that pensioner?

Jeremy Wright: It would of course depend on that gentleman's circumstances, but I hope the hon. Gentleman will be prepared to assist us and the BBC in making sure the right information is given to older people who may be concerned that they are about to lose their TV licence when in fact they are not, because some will retain it. It is important that we get across clearly to those who will otherwise worry that if they are or could be in receipt of pension credit, they will not lose that benefit. So it is important that we all take the chance to communicate with our constituents in a way that is accurate and that reassures where we can.

Chris Stephens (Glasgow South West) (SNP): This is a Government who raised the pension age and who only last month changed the pension credit criteria, making it more difficult for couples to qualify for pension credit—something the Secretary of State has not mentioned. Those couples could very well be among those who do not now qualify for the TV licence. But does the Secretary of State agree with the principle that this Parliament has a right to reverse the decision of a previous Parliament, and that there should now be a debate and a vote on who is responsible for the TV licence and who is eligible for free licences?

Jeremy Wright: Of course the hon. Gentleman is right that Parliaments cannot bind their successors, and if the Government bring legislation forward Parliament

will have to consider it. On the question of whether or not Parliament has opportunities to consider this matter, it is having one now, it has had them in the past and I have no doubt that you will be prepared to entertain all applications if they are made, Mr Speaker.

Mohammad Yasin (Bedford) (Lab): Most of those set to lose the TV licence will not qualify for pension credit but still struggle to make ends meet, including 4,470 from Bedford and Kempston. Does the Secretary of State agree that his party has broken another manifesto pledge and cut a lifeline to the outside world for many older people, who suffer most from loneliness and social isolation?

Jeremy Wright: No.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Some 3,220 people in my constituency currently benefit from this policy. No matter which way the Secretary of State tries to dress it up, to transfer the responsibility to the BBC without the corresponding budget and then have Tory MPs line up, as they have done over the last few days, and criticise the BBC is just plain wrong, not to mention shameful. So will the Secretary of State review this situation, yes or no?

Jeremy Wright: I think I have been clear about what I intend to do next. I am not seeking to dress anything up; I am expressing to the House what the current situation is, and the situation is that the BBC has the responsibility to decide what to do with the TV licence concession we have been discussing, and it has decided. I have expressed my disappointment with what it has decided and intend to take the matter further in discussions with it.

Melanie Onn (Great Grimsby) (Lab): Nearly 4,000 of my constituents are going to be affected by this decision. I find it absolutely shocking that the Secretary of State, who stood on a 2017 manifesto that promised over-75s that they would keep this benefit—hard-working over-75s who have lived by the rules all their lives and contributed in every way to get this tiny benefit—now says they cannot do so. Does he not think he owes those people more of an explanation than he is giving this House today?

Jeremy Wright: I think I am up to about an hour and 10 minutes' worth of explanation so far, and I think it is important, as I have said, that we communicate what is happening to older people who will be concerned. It is important to do that with accuracy and to be straightforward about who will be able to retain this benefit, and it is important for the Government to continue to communicate with the BBC. As I hope I have made clear, I intend to do so.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): I always believe that there are three sides to the truth. There is the truth of the BBC, which I have much sympathy with; the Government's truth of not fulfilling a manifesto commitment; and the truth of the 7,066 pensioners over 75 in my own constituency. There is also the truth of Josephine, who phoned GMTV yesterday morning to say that

"it means an awful lot to me, because that would be £25 a month coming out of our joint pension. We're self-funding in a residential care home"—

luckily, that will not happen in Scotland—

“and he gets no pension credit. They’ve taken all his attendance allowance when he went in, so what happens to people like us?”

Would the Minister like to tell Josephine what happens?

Jeremy Wright: As I have said, it is important that we continue to discuss with the BBC what more can be done for people like that. It is important, as I have said, to be clear about who will continue to get this benefit, and it is important to have this continuing conversation with the BBC about what more can be done for those people, but I will not accept that this Government have not done anything to support people who are in difficulty. Quite the reverse: this Government have done a huge amount to do that, and it is important that when we communicate these things, they are communicated in the round.

David Hanson (Delyn) (Lab): Knowing that this decision was coming down the line, knowing that the BBC may have made the choice that it has made and knowing that this was a manifesto commitment of his Government, has the Secretary of State personally had any discussions with the Treasury in his 11 months in office, to ensure that the 3,800 pensioners in the Delyn constituency who will lose their benefit and now pay over £500,000 more—money lost from our local economy—can get justice and see the Conservative party meeting its manifesto commitment?

Jeremy Wright: The answer to the right hon. Gentleman’s question is that I discovered the BBC’s plans on Sunday, before the announcement on Monday. I have not had a discussion with Treasury Ministers since that time but, as I said, I intend to have a number of discussions about what further action can be taken, predominantly by the BBC, but of course the Government will continue to look at what they can do across the whole range of benefits policy, as they always do.

Alison Thewliss (Glasgow Central) (SNP): It is predicted that this change in plans will cost the BBC £250 million by 2021-22. That is money that is not going into jobs in Pacific Quay in my constituency. Can the Secretary of State stand here and guarantee that no jobs will be lost in Pacific Quay as a result of this sleekit Tory sleight of hand?

Jeremy Wright: What I can say to the hon. Lady is that when the BBC decided to take on this responsibility, one would have thought that the bare minimum of what it expected to have to outlay would have been what it is currently intending to outlay, so it should have made any calculation about how affordable that might be in 2015—and I am sure it did. She and I will both continue to expect the BBC to provide a good service, employing excellent people in her constituency and elsewhere to offer the best possible television product to the nation.

Nic Dakin (Scunthorpe) (Lab): About 4,400 pensioners in the Scunthorpe area will lose their free TV licences based on this announcement today. Is the Secretary of State saying that the Government are happy to break the election promise that those people voted on in 2017?

Jeremy Wright: I do not think it is possible to say I am happy. I think my disappointment has been made very clear, but it is, I am afraid, now for the Government

to work with the BBC to see what more can be done. I hope that if the hon. Gentleman’s party continues to say that this responsibility should be taken back by the taxpayer, we will at some stage get a little detail about how that might be paid for.

Hugh Gaffney (Coatbridge, Chryston and Bellshill) (Lab): Three thousand households in my constituency will lose their TV licence, yet the Tory leadership candidates are focused on cutting taxes for the wealthy and have nothing to say about this vital support being taken away from the elderly. Is this not another broken promise from a Tory Government who always choose to protect the few at the expense of the many? Will the Minister tell me which Tory leadership candidate he would support to find the money?

Jeremy Wright: I think the hon. Gentleman is wrong, and if he was here earlier, he would have heard others quoting what the Conservative party leadership candidates have said specifically on this subject. As I said earlier, I do not answer for any of them; I answer for the Government.

Mr Speaker: I do not know what the hon. Member for Coatbridge, Chryston and Bellshill (Hugh Gaffney) did or did not pick up, but he has certainly been here throughout these exchanges.

Alan Brown (Kilmarnock and Loudoun) (SNP): I have 4,200 elderly constituents who will lose out because of this. Any of them who are watching the answers from the Dispatch Box today will be reminded, as I am, of a line from a Billy Connolly joke, which is that “a big boy did it and ran away”. That seems to be the Government’s response. The Secretary of State asked how the £500 million could come from the taxpayer, but he is one of those who voted for inheritance tax cuts, corporation tax cuts and cuts to income tax thresholds for the richest. I have figures from the House of Commons Library showing that those measures will cost £80 billion by the year 2025. I will send him those figures as a starter for where the money can be found.

Jeremy Wright: If the hon. Gentleman is waiting for me to apologise for my advocacy for low taxes, he will wait a long time. I believe in low taxes, and it is important that we are a low tax economy, but I also believe it is important to offer the maximum support to those who need it most, and that is exactly what this Government have done. There has been no evasion on the position from me. I have made it quite clear to the House what the position is, and the arguments that have been deployed today are the same arguments that were deployed in 2017 and the same comments that were made in 2015. We have all known what the position was in terms of the BBC’s responsibility for at least two years, and arguably for four.

Jim Shannon (Strangford) (DUP): Does the Secretary of State not agree that the BBC saying it is not in charge of welfare benefits does not take away from the fact that it has a duty of care to the public, and that its petty statement of shifting blame does not help those who are sitting alone at home? Does the Secretary of State agree that this could well be the straw that breaks the camel’s back in terms of people determining not to use the BBC and to withdraw their fee?

Jeremy Wright: I agree with the hon. Gentleman that the BBC has a responsibility here, and to be fair to the BBC, most of the people I speak to at the BBC accept that. However, I do not find the conclusion they have reached so far to be satisfactory, which is why I will continue to speak to them about what more can be done. I very much hope that his conclusion is wrong and that people do not move away from the BBC to other providers. I believe the BBC has a good deal to offer, not just to the world of broadcasting but to our society more broadly. However, it is important, as he says, that it takes its broader responsibilities very seriously.

BILL PRESENTED

CLIMATE CHANGE (EMISSIONS TARGETS) Bill

Presentation and First Reading (Standing Order No. 57)

Rachel Reeves, supported by Mary Creagh, Edward Miliband, Drew Hendry, Norman Lamb, Caroline Lucas, Nicky Morgan, Peter Kyle, Zac Goldsmith, Anna McMorrin, Antoinette Sandbach and Dr Sarah Wollaston, presented a Bill to amend the Climate Change Act 2008 to require net United Kingdom carbon emissions to be zero by 2050 and to include international aviation and international shipping in the calculation of such emissions.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 399).

United Kingdom Atomic Energy Authority Pension Transfers (Parliamentary and Health Service Ombudsman Investigation)

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

1.57 pm

Mr Edward Vaizey (Wantage) (Con): I beg to move,

That leave be given to bring in a Bill to make provision to enable a Parliamentary and Health Service Ombudsman to investigate advice given by the Secretary of State and the Government Actuary relating to transfers of pensions from the United Kingdom Atomic Energy Authority pension scheme to the AEA Technology pension scheme; and for connected purposes.

This is the main event of the parliamentary day. I welcome many of the people who have supported this Bill. Many of those in the Chamber today, from all parties, have played a crucial role in trying to get justice for the AEA Technology pensioners. I would like to begin by briefly recapping the case of those pensioners.

In 1996, the then Conservative Government privatised the commercial arm of the UK Atomic Energy Authority, then based at Harwell in my constituency, and it became AEA Technology plc. As part of the privatisation, most of the staff who were transferred to AEAT were persuaded to transfer their past pension service, accrued under the Government's scheme under the UK AEA pension schemes, into the new defined benefit AEAT pension scheme, a private pension scheme. You can guess what happened next, Madam Deputy Speaker. Although it did not happen immediately, some 25 years later, AEAT went into pre-pack administration and disposed of its pension liabilities. The pension scheme went into the Pension Protection Fund in July 2016, meaning that pensions accrued before 6 April 1997 are frozen.

AEAT pensioners among my constituents, and those of many other Members, maintain that they were influenced by incomplete, misleading advice provided by UK AEA and the Government Actuary's Department. They have therefore rightly been fighting a campaign to right that wrong by reinstating the pension rights that were promised to them at the time of privatisation. Over 3,000 pensioners were affected by that advice and some of them are here today. The hon. Member for Oxford West and Abingdon (Layla Moran), who is not here, and I continue to represent the bulk of the pensioners, but they now reside all across the country, which is why several of my hon. Friends are present.

Some pensioners have lost about 10% of their pension, but the cumulative impact for many will be that their pensions decline by between 30% and 50% over time. That is a clear injustice. It is clear that my constituents and their fellow pensioners were misled 20 years ago in the advice on whether to retain their accrued benefits in what was effectively a Government pension scheme, or to transfer them to a private scheme. The advice given to them in 1996 was that the private sector scheme would be no less favourable than the public sector scheme.

As the advice from the Government Actuary's Department was written down, we are able to review it today. It issued a paper that discussed transfers from the superannuation scheme—the Government scheme—to the private scheme. In section 3 of that paper, the Government Actuary's Department listed what it describes

on the contents page as the “Advantages of preserving”, which means the advantages of staying in the old Government scheme. Another section describes the “advantages of taking a special transfer value”,

meaning the advantages of moving to the private scheme. The first strange thing about that is that section 3, in which the Government Actuary’s Department lists the “Factors to consider in making the decision”,

in particular describing the advantages of preserving the scheme benefits and looking at what might influence the employees to remain in the public sector scheme, states that

“it is unlikely that the benefit promise made by either the UKAEA Scheme or the AEAT Scheme would ever be broken”.

It went on to say that it is even more unlikely that both promises would be broken.

My constituent, Derek Whitmell, has been assiduous in digging out information from various organs of Government. He has a letter from the Government Actuary’s Department, dated 14 November 2014, which states:

“We have found no specific record on file of the underlying justification”,

for the statement I just quoted about broken promises. Pensioners were told that a transfer would not be detrimental to them and that it was unlikely that being in the private sector scheme would have any impact on them. However, the then Pensions Minister, Steve Webb, put forward many hypotheses when responding to a debate in 2015, including the possibility that the company could go into insolvency. I am not saying the Government should be responsible for the investment decisions of AEA Technology, but it is clear that the risks were hidden from pensioners at the time.

Thanks to other FOI requests from my constituent, we have been able to examine how the advice was originally drafted. One astonishing paragraph from AEA Technology states:

“We believe the general tone of this note is likely to discourage people from transferring to the AEAT scheme”

—the private scheme—

“while recognising that the note must be as neutral as possible we do not think this is the case and have suggested a few places where the tone could be modified.”

In plain English, to me that means, “Slant the advice to encourage people to transfer.” It is therefore hardly surprising that 90% of pensioners transferred to that scheme. I remind the House that these people were highly trained research scientists and physicists—not only the kind of people that one would expect to read the small print, but those who would trust authoritative Government advice.

The pensioners have long been pushed from pillar to post. I went to the Secretary of State for Work and Pensions and the Pensions Minister before the 2015 election.

I went to the then Secretary of State for Business, Innovation and Skills and was told to go to the ombudsman. A full complaint was made to the ombudsman, who decided not to take any action, and part of the reason for that is because they are not able to review the advice of the Government Actuary’s Department. At the heart of all this is a plain and simple fact: my constituents and others were misled in the advice that they were given, but they have no means of legal redress under the current ombudsman arrangements. I am therefore extremely grateful to my colleagues who have worked hard to try to address the injustice, in particular my hon. Friend the Member for Mole Valley (Sir Paul Beresford) and my right hon. Friend the Member for West Dorset (Sir Oliver Letwin) for their help in drafting the Bill.

The Bill is designed to right a wrong that has been dogging these pensioners for years. Indeed, this issue has been dragging on for so long that we have been debating it for some five or six years. Speaking on the pensioners’ behalf, Tony Reading, chair of the AEAT Pension Campaign, said:

“We were mis-sold a risky pension scheme. Since 2012 we have been seeking restoration of the inflation proofing of our pensions, for which we paid 30% higher contributions. Our previous employer, and the DWP, BEIS, and the Pensions Ombudsman refused to consider our complaint. We were referred to the PHSO who said they could not consider our complaint because the law did not permit it. We hope to get the law changed and our complaint properly investigated. We just want the pension that we paid for, in good faith, for all of our working lives. We hope that MPs will support this Bill.”

Those thoughts were echoed by the union Prospect, which continues to represent a number of the pensioners:

“Our members in AEAT were clearly misled over the decision to transfer their accrued pension benefits and we have fought a long campaign for justice. This Bill is an important step towards righting this wrong, and we hope that it finds support from MPs and from the Government.”

The pensioners, their union and I thank hon. Members for their support and I hope that the Bill will continue to receive support should it receive a Second Reading.

Question put and agreed to.

Ordered,

That Mr Edward Vaizey, Richard Benyon, Sir Paul Beresford, Robert Courts, Stephen Crabb, Annelise Dodds, John Howell, Sir Oliver Letwin, Layla Moran, Victoria Prentis, Dr Sarah Wollaston and Mohammad Yasin present the Bill.

Mr Edward Vaizey accordingly presented the Bill.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 400).

Consumer Protection

2.8 pm

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

That the draft Consumer Rights Act 2015 (Enforcement) (Amendment) Order 2019, which was laid before this House on 13 May, be approved.

Ensuring the safety of UK consumers is a key priority for the Government. It is vital that consumers can trust that the products they buy are safe. Responsible and law-abiding businesses also need to be confident that businesses which ignore their responsibilities will be held to account for breaches of product safety.

The UK enjoys a robust legal framework to protect consumers, and the Government are committed to maintaining and building on that. Indeed, we have taken decisive action to enhance the effective functioning of the product safety system. We launched the Office for Product Safety and Standards last year to enhance the UK's product safety system and to provide strategic leadership and co-ordination of the system, taking a lead in response to national product safety incidents. The OPSS works closely with local trading standards teams to support them in tackling local issues.

Yvonne Fovargue (Makerfield) (Lab): Does not the Minister agree that the cuts to local trading standards departments, which have seen them lose about 56% of their staff, have severely hampered their work in keeping the public safe?

Kelly Tolhurst: The hon. Lady is right about the role of trading standards and the pressures under which departments operate. The local priorities of local trading standards will always differ across the country. The beauty of the OPSS is that it takes a strategic role, which enables it to support local and national trading standards in dealing with nationwide issues. It also provides expertise and financial support for testing functions, when required.

We launched the OPSS last year to enhance the system. We work closely with local trading standards departments to support them in their work and in tackling local issues. The aim of this order is to strengthen the ability of the OPSS to carry out its role in leading the response to national product safety incidents and cases and in ensuring the cohesion of the product safety system.

The order does three things. First, it will enable the Secretary of State, and the OPSS on his behalf, to investigate potential safety issues related to consumer products regulated by the provisions of the General Product Safety Regulations 2005, using the investigatory powers listed in schedule 5 to the Consumer Rights Act 2015. Secondly, the order will enable enforcement authorities in the UK, including local trading standards, district councils in Northern Ireland and the Secretary of State, to use those same investigatory powers to investigate claims about gas appliances and personal protective equipment. Finally, the order makes a minor amendment to the Measuring Instruments Regulations 2016 and to the related reference in paragraph 10 of schedule 5 to the 2015 Act to correct a typographical error.

Potential safety issues relating to consumer products covered solely by the General Product Safety Regulations can already be investigated by enforcement authorities using the powers under schedule 5 to the 2015 Act. Such issues are generally investigated by local trading standards in the UK and by district councils in Northern Ireland in the local area where the incident has occurred. The order will enable the Office for Product Safety and Standards, on behalf of the Secretary of State, to investigate claims of unsafe products in the context of national incidents or cases, providing equivalent investigatory powers to those available to local trading standards and other relevant enforcement authorities. This means that the OPSS can provide the leadership and action needed to deal with national incidents and cases.

The order will provide the full range of powers contained in schedule 5 to the 2015 Act, which includes powers to require the production and potential seizure of documents, the inspection and purchase of products, the testing of equipment and the seizure and retention of goods. These are essential aspects of undertaking effective checks and actions in relation to unsafe goods. It is vital that our new national regulator has these powers across the broad spectrum of consumer products, which will enable it to provide leadership on cases and incidents of national importance.

The Secretary of State, and the Office for Product Safety and Standards on his behalf, may already exercise these powers in relation to the enforcement of sector-specific regulations such as on electrical equipment, lifts and so on. The Government want to ensure that the Secretary of State can lead across the wide range of consumer products, not just those that fall under sector-specific regulations. The order therefore allows the Secretary of State to investigate any type of product covered solely by the General Product Safety Regulations, should the need arise.

The order's second purpose is to make sure that the Secretary of State, local trading standards in Great Britain and district councils in Northern Ireland can investigate safety issues concerning gas appliances and personal protective equipment. New regulations were introduced last year under the negative procedure, and this order now provides for the amendment of the 2015 Act by the affirmative procedure. It also enables enforcement authorities to use the investigatory powers in schedule 5 to the 2015 Act in relation to products covered by the 2018 regulations.

Finally, the intention underpinning the enforcement of the Measuring Instruments Regulations has always been that the enforcement authorities should have access to the investigatory powers in schedule 5 to the 2015 Act. This order corrects a typographical error in the relevant provision in both the regulations and schedule 5.

The order will provide the ability for the OPSS to lead and co-ordinate responses to national product safety cases and incidents, enhancing protection for UK consumers. It improves the Secretary of State's ability to investigate claims of unsafe consumer products, and it helps to prevent injury and loss of life.

Dr David Drew (Stroud) (Lab/Co-op): The Minister probably knows what I am going to say about school notice boards. She and her colleagues have been very helpful.

Could she confirm that the order will make it quicker and easier to look at such products, which at least need investigation?

Kelly Tolhurst: I thank the hon. Gentleman for his intervention. I note his passion for the safety of notice boards in schools. He is correct. The essence of the order is that the Office for Product Safety and Standards will be able to act quickly and effectively in investigating and in using the full range of powers open to us to make sure we take the necessary action to protect consumers.

Enhancing protection for UK consumers is at the heart of my Department's priorities, and the order improves the Secretary of State's ability to investigate claims about unsafe consumer products and helps to prevent injury and loss of life. The order gives greater protection to law-abiding businesses, as it helps to stop unfair competition by preventing the placing of unsafe products on the UK market, and it makes sure that, where there is a national product safety incident, the Secretary of State can provide the necessary support and leadership to investigate.

The order enables the Secretary of State, local trading standards and district councils to investigate the safety of gas appliances and personal protective equipment regulated by the 2018 regulations. It is a further step in making sure that the Office for Product Safety and Standards can fulfil its regulatory role in the area of product safety, and it is a further step in the Government's commitment to protecting consumers and maintaining fair markets for law-abiding businesses.

2.17 pm

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): UK consumers spend over £1,160 billion a year on goods and services, and they are the backbone of the British economy. They spend their hard-earned money in shops and, increasingly, online. It is vital they are properly protected when buying products to ensure consumer safety.

The majority of law enforcement—75% of public enforcement responsibilities—is carried out by local authority trading standards services, from scams to products. However, those services have had to deal with cuts of more than 50% over the past seven years, and some parts of the country have been hit particularly hard. These cuts will undoubtedly have a negative impact on their ability properly to inform and enforce consumer protection.

Sadly, lack of compliance with consumer protection law can have serious and deadly consequences. For example, around 3,000 fires each year in the UK are caused by faulty electrical appliances. This technical order

"establishes equivalency with respect to the investigatory powers in Schedule 5 to the Act between the Secretary of State and those of local authority Trading Standards and district councils in Northern Ireland".

The explanatory memorandum goes on to say:

"The instrument allows the Office for Product Safety and Standards, on behalf of the Secretary of State, to investigate claims of unsafe products in the context of a national incident, where local authority Trading Standards...lack the resources or expertise to do so."

I broadly welcome this statutory instrument, in that it attempts to strengthen the enforcement regime. However, there are some points to note.

According to the National Audit Office, overall, local trading standards have lost 56% of their full-time equivalent staff since 2009, and 20 services in England have had funding cut by over 60% since 2011. Some services now have only one qualified officer. Despite that lack of funding, local trading standards teams are expected to enforce 263 different pieces of legislation for different Government Departments, with little direction from Government on the priority of those issues. It is this Government who have taken away the vital ability of trading standards to properly enforce consumer protection.

The OPSS was finally established after years of reviews and consultations, but unfortunately it has proved to be weak. It launched an investigation into Whirlpool following reports that more than 100 Creda, Hotpoint, Indesit, Proline and Swan tumble dryer models—all brands owned by Whirlpool—made between April 2004 and October 2015 could pose a fire risk. It is known that at least 750 fires have been reported since 2004 that involved those dryers.

Following its investigation, the OPSS assessed Whirlpool's tumble dryer modification programme, and judged that the risk to consumers from modified machines is low. Consumer groups led by Which? were incensed by what they called a

"fundamentally flawed"

investigation

"that appears to favour business interests over people's safety."

The investigation failed to speak with any affected Whirlpool customers as part of the review, and further failed to verify the history of the 28 Whirlpool dryers it tested as part of the inquiry, so it was unable to draw conclusions about when the machines had been modified and by whom.

How does the Minister suggest we have confidence in the OPSS if its first ever investigation has been so widely criticised for its failure properly to tackle the issues at hand? It is one thing to give it investigatory power, but another for the OPSS sufficiently to use those powers to investigate big business and hold it to account for its handling of such serious issues.

In so far as the use and scope of the investigatory powers is concerned, the note outlines that,

"it is envisaged that the investigatory powers will not be used frequently...However, when these occur the Office will be able to support and supplement the work of local authority Trading Standards more effectively than at present".

Can the Minister outline what criteria will be set and will have to be met for OPSS and the Secretary of State to use these powers? Can she outline the process used to decide whether and when these powers will be used? Can she outline the process that will take—will any investigation undertaken by the OPSS then invalidate a local trading standards investigation? Will the two co-operate or will they be able to undertake any investigations in parallel? Finally, what discussions has the Minister had with trading standards about the use of these powers?

In conclusion, I draw the Minister's attention to the fact that, yet again, an SI has been prepared without an accompanying impact assessment, and ask why that is.

2.23 pm

Sir Peter Bottomley (Worthing West) (Con): I welcome the way in which the Minister has put this to the House. I would be interested in the responses to the questions

[*Sir Peter Bottomley*]

raised by the hon. Member for Sheffield, Brightside and Hillsborough (Gill Furniss), the Opposition Front-Bench spokesperson.

I have had two serious interests in consumer protection, which may or may not be partially affected by this regulation. The first was in residential leasehold, when Tchenguiz interests—although I am not terribly concerned about which they were—forced large numbers of leaseholders to change their call systems. There were rigged bids for replacing them, and when eventually the authorities began to take account of what was happening, the subsidiary Cirrus, which did nearly all the work, having won nearly all the bids, reported itself, saying that it was involved in a cartel. The others were minnows. The others got punished, and the Tchenguiz interests, through Peverel and Cirrus, got off scot-free.

I would like to know from the Minister, perhaps in writing after this debate, whether that is the kind of thing that could be picked up by these regulations, if reported by, for example, the campaigning charity Leasehold Knowledge Partnership, or whether there is some other way in which the Serious Fraud Office, trading standards and others could come in and protect these people. There are no current legal proceedings, so there is no particular problem, and the Minister may want to get her Department to consult other Departments about what they were doing when they were first alerted to these problems.

Secondly, I advise the Government to try to make sure that all those involved take account of the serious issues that are justified, but do not spend too much time chasing ones that are not. Many years ago, when I was Minister for roads, painting white lines down the middle of our national highways—quite a dangerous position to be in—our Consumers Association, Which?, followed up something from the Consumer Union in the United States, which wrongly took against a small four-wheel-drive car called the Suzuki Jimny or Samurai or 410; the suggestion was that it was the most dangerous vehicle on the roads, which should be banned. It was clearly not more dangerous than motor cycles. It turned out that it was not even the most dangerous in terms of stability. Nevertheless, for a year I had to fight off those who were arguing for a ban.

The point of telling this story to the Minister is that I hope the Government will take some account of science, that they will take some account of whether complaints are justified, and that where complaints are justified and consumers are at risk they will take action, but where they are not they will pass the matter back and say, “Try again some other time. We are interested in what works—is it necessary, is it right and will it work?”

2.26 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): This statutory instrument is not particularly controversial. Strengthening the law to protect consumers is always a good thing, particularly in product safety.

I remember participating in a few debates about the need for and the purpose of an office for product safety, which has now been set up, with the task of making regulation work, so that it protects people and enables businesses to understand their obligations. The need for that was particularly brought home to us following the

dangers posed to consumers by the faulty Whirlpool tumble dryers, and the faulty Hotpoint fridge that apparently led to the Grenfell tragedy.

The need for greater scrutiny of product safety has required much sharper focus since the start of the UK's preparations for departure from the EU, as Brexit raises a huge question mark over the future of the domestic product safety regime. In addition, there is no denying the uncertainty and costs for businesses as they try to plan ahead. We all share concerns that there could be genuine risks for consumers that the levels of product safety enjoyed as an EU member may well be under threat.

The provisions of the statutory instrument to give greater powers to the Secretary of State, under the auspices of the OPSS, to investigate claims about unsafe consumer products in the context of a national incident, are very important, as are those that would require the OPSS to work more closely with trading standards, offering additional protection to consumers alongside current arrangements.

The aim here, that an effective enforcement regime requires the UK to arrange and ensure that the relevant enforcement agencies have and use the necessary powers to take appropriate measures on product safety, is laudable. However, I would impress upon the Minister that in the wider context of product safety a poor deal or no deal from the EU has the potential to put our product safety system in real jeopardy. I wonder, given the strengthening of the OPSS's role, what additional funding it will be allocated to fulfil its role properly. Given that it will work more closely with trading standards than at present, will that mean additional funding for trading standards across the UK, given that they are already extremely hard-pressed in the face of evolving and creative threats to consumers and their safety? Can the Minister guarantee that the necessary funding for the OPSS, which will be required to carry out its new responsibilities, will be forthcoming?

What preparation has the OPSS done to ensure that it is indeed ready to assume the increased responsibility? We can all agree that consumer safety matters, but we also know that regulating it and monitoring it must be properly paid for, so I would be interested to hear what responses the Minister has to that.

I end by commending to the Minister the Scottish Government's new consumer protection Bill, and the new Consumer Scotland body, which will champion consumer rights and protections, which she may wish to examine to see what can be learned from Scotland—as I am sure the Scottish Government will examine with interest the provisions before the House today.

2.29 pm

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): I am going to speak about something slightly different, which is what I think should be in the statutory instrument. As Members probably know—if they do not, it is probably because I have not banged on about it enough—I chair the all-party group on ticket abuse, in which capacity I wish to speak today. I feel strongly that with this SI the Government have missed a great opportunity to address some concerns that have been expressed to me over the years.

The Consumer Rights Act 2015 refers explicitly to secondary ticketing. Despite that important legislation, fans continue to be ripped off by secondary ticket touts

who sell tickets for huge profits to genuine fans. Some touts do this regardless of whether the ticket actually exists, and without any regard for existing legislation. This leaves people out of pocket, frustrated, disappointed and unable to attend an event that they have saved for and looked forward to. The 2015 Act exists to protect consumers, which is what we are discussing, but it is failing to do so because of insufficient enforcement. Without sufficient enforcement, it becomes a moot Act, if there can be such a thing. That is why I wish to make the case today for more funding for our enforcement agencies, as I believe that enforcement is a significant aspect of the 2015 Act that is missing from this SI. I hope the Government will consider rectifying that.

National trading standards

“delivers national and regional consumer protection enforcement... Its purpose is to protect consumers and safeguard legitimate businesses by tackling serious national and regional consumer protection issues and organised criminality and by providing a ‘safety net’ to limit unsafe consumer goods entering the UK”.

To perform this huge task, the Department for Business, Energy and Industrial Strategy provides national trading standards and Trading Standards Scotland with just £14 million. With that small amount of funding, trading standards is expected to protect consumers from scams and cyber-crime and to protect UK borders and public safety. Does the Minister agree that £14 million per year for this huge responsibility, which requires investigation, prevention, safeguarding and enforcement, is really not enough to fulfil the task to any acceptable level, and that it must—I know it does—leave NTS officers continually frustrated and overworked? Has the Minister made any assessment of how much funding NTS needs to fulfil its role to the highest standard?

The 2015 Act makes it clear that sellers must provide seat, row and block numbers, as well as the unique ticket ID number, if the event organisers insist on it, yet there are still examples of secondary ticketing sites that do not supply this information. Touts are therefore still able to operate illegally and rip off genuine fans without any serious implications. The legislation exists—we are talking about it—but despite a long-running Competition and Markets Authority investigation, enforcement is still lacking. That means it is up to organisers, venues and promoters to monitor secondary ticket touts, cancel tickets when necessary, and respond to disappointed fans who are denied access with invalid tickets. Such expectations are unreasonable for organisers, venues and promoters. At a recent meeting of the all-party group, an event organiser said:

“We don’t want to be the enforcers, but if agencies aren’t there then we have to step in.”

Does the Minister agree that this is not an acceptable expectation for organisers, venues and promoters?

As the House knows, I have been working on this issue for a long time now, and I am convinced that ticket touts will continue to operate outside the law until there is a sustainably funded agency to ensure that the existing legislation—this legislation—is enforced. That is why the SI is deficient. Recently, we saw two English teams fly to Madrid for the champions league final. I have to admit that I am not a fan of either team—I do not know whether you are, Madam Deputy Speaker—but many fans flew over, too, paying out for their flights, transfers and accommodation, on top of as much as £5,000 per ticket, going up in some cases to £10,000 per ticket, only

to be told, just hours before the game, that the tickets they had purchased from secondary ticket sites did not exist and were cancelled. I can only imagine the sheer disappointment, anger and frustration that those fans went through, even though the 2015 Act should have made it impossible for that to happen. Unfortunately, this is not a rare occurrence: it is something I hear about all too often from the excellent campaign groups Victim of Viagogo and the FanFair Alliance.

If the Government want to protect consumers—which is what we are here to do—they must invest in our enforcement agencies to ensure that the existing legislation is totally adhered to. I know that what I have talked about is slightly outwith the scope of the SI, and I am so grateful for the House’s indulgence and to you, Madam Deputy Speaker, for allowing me to talk about the funding of national trading standards, but I hope the Minister has heard what I have had to say, even though I have sneaked it in as I have done, and will look into the issue as soon as possible.

Madam Deputy Speaker (Dame Rosie Winterton):

Before I call the Minister, I should say that I allowed the hon. Lady some leeway and she has put her views on the record, but I expect the Minister to address what is in the statutory instrument, rather than what is not.

2.36 pm

Kelly Tolhurst: I welcome the contributions from all Members, because we all care about consumer safety and it definitely lies at the heart of what I have been doing in my time at the Department. I wish to comment on some of the points made and answer some of the questions that were posed.

First, I respect the hon. Member for Sheffield, Brightside and Hillsborough (Gill Furniss) and her thoughts on Whirlpool, but I did inform the House in oral questions this morning—I do not know whether she heard—that the Government have notified Whirlpool of their intention to issue a recall notice, which is part of the regulatory process. Although I have much respect for the hon. Lady, I totally disagree with her characterisation of the Government’s view on taking forward the concerns relating to Whirlpool and of the Office for Product Safety and Standards’s role in that process.

Yvonne Fovargue: There are still millions of people who have not contacted Whirlpool and about whom Whirlpool knows nothing, so does the Minister not agree that the recall process would have been so much easier had there been at the time of sale a central register that could be used only in the event of a recall of dangerous white goods?

Kelly Tolhurst: The hon lady raises an important point. The process we have followed has meant that the Office for Product Safety and Standards carried out a review. We obviously want to move on to the next stage, and this is a great example of what the Office for Product Safety and Standards is able to do. The statutory instrument describes a specific element of that, mainly relating to the investigatory powers. We are doing further work on consumer protection as we bring together—we hope, in the near future—a consumer White Paper on strengthening enforcement and a host of other things, on the back of the Green Paper that was announced last year.

[*Kelly Tolhurst*]

On the Secretary of State's powers to investigate, local trading standards in Great Britain and district councils investigate claims about potentially unsafe products in their local areas. National incidents are designated under the Office for Product Safety and Standards's national incident management plan triage process. We want the OPSS to lead on national incidents and to have the same investigatory powers as local trading standards. The Secretary of State already has equivalent investigatory powers to investigate any products regulated under specific legislation, such as cosmetics and electrical equipment, but not cots and DIY tools. This order aligns the Secretary of State's powers with those that are already available to trading standards and ensures the consistency of the powers that could be used by the OPSS. The circumstances under which the Secretary of State would exercise those powers is where the OPSS's national incident management plan triage process concludes that the nature of the product warrants such action.

With regard to the OPSS and its communication with our trading standards, I have to tell the House that the relationship between national trading standards, local trading standards and the OPSS is one of continuous communication and working together. We would not be able to influence and to have such a great enforcement system without those organisations working together. Yesterday, I met trading standards professionals across the enforcement landscape. A key part of my role has been making sure that I keep in touch with representatives of national and local trading standards. I wish to put it on record that trading standards officers do invaluable and exceptional work throughout the country. They work incredibly hard and are very much the unsung heroes.

Mrs Hodgson: I agree with the Minister on that point, but I want to highlight the points that I was making about the funding of national trading standards. [*Interruption.*] She has just assured me that she is coming on to that point.

Kelly Tolhurst: The Government took a great step when they formed the OPSS in January 2018. The OPSS was given additional funding of £12 million a year to build national capacity for product safety. The expertise—the scientific-based research—that it will be able to undertake will aid and assist local trading standards in carrying out their own functions. This is very much a working-together situation. We have committed £190,000 to behavioural insights to date and invested £498,000 on social science research. Over the next three years, £4 million will be spent on upgrading the scientific facilities in Teddington, and £750,000 of support has been provided in 2018-19 for testing and training trading standards, and there is another £500,000 funding for trading standards

to carry out product safety testing, and that will increase next year. We have also trained more than 250 trading standards authorities, which included training 800 people. Such training enables local trading standards to have free access to the technical British standards, which really equips them and supports them in identifying compliance issues.

Let me move on now to the issues raised by the hon. Member for North Ayrshire and Arran (Patricia Gibson). She was very concerned about funding, and as I have tried to outline, the OPSS will take a strategic role in supporting local trading standards. The statutory instrument ensures that we have a clear enforcement strategy, which gives the OPSS and the Secretary of State the powers that they need.

Patricia Gibson: Forgive me if the Minister has said this already and I have missed it, but given that the powers of the OPSS are to be strengthened, will there be an increase in personnel to support trading standards, and will the OPSS itself receive additional money—apart from the £12 million that it received when it was set up?

Kelly Tolhurst: The OPSS is ready. It is taking on not extra work, but an extra power, which it is quite ready to take on. I have already outlined what it has done in the case of Whirlpool.

I understand the concerns of the hon. Member for Washington and Sunderland West (Mrs Hodgson), and she is a great campaigner in this area. She will know that work is ongoing with regard to secondary ticketing. That matter is not related to this SI, but I am more than happy to speak with her directly outside the Chamber to give her some more assurances if that is what she wants.

I almost forgot the contribution of my hon. Friend the Member for Worthing West (Sir Peter Bottomley). I am grateful to him for raising those issues. We are looking at strengthening consumer protection, full stop. Perhaps we could meet. I have not spoken to him about this issue, but I am more than happy to meet him, so that we can investigate the matter further with the OPSS if necessary.

Without this order, we will not be maximising the potential of the new regulator. The British public would ultimately have less protection from unsafe and non-compliant products. Law-abiding businesses would have less protection in maintaining and growing their businesses and the UK economy, and that is not what this Government want. We are committed to making the UK product safety systems the best in the world, and ensuring that our regulators have the right tools to protect our people is a further step to achieving that goal. Therefore, I commend this statutory instrument to the House.

Question put and agreed to.

Family Law

2.46 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Will Quince): I beg to move,

That the draft Child Support (Miscellaneous Amendments) Regulations 2019, which were laid before this House on 9 May, be approved.

These regulations amend child maintenance legislation to enable the delivery of the child maintenance compliance and arrears strategy.

We all know that, when parents work well together, their children fare better. A reformed child maintenance scheme based on that principle was launched in 2012 and administered by the Child Maintenance Service. This scheme was designed to encourage parents to work together following separation and, where possible, to make a private family-based arrangement for the child. Where parents are not able to do this, the statutory scheme is there as a fall-back option. I am pleased to say that, following staged implementation, the service is working well and largely avoiding the problems that beset the previous statutory child maintenance schemes. As the reformed scheme has been implemented, we have listened to the issues that hon. Members and external stakeholders have raised. This valuable input has informed our new child maintenance compliance and arrears strategy.

Last November, this House approved regulations tackling a number of those issues, closing down loopholes, introducing tough new sanctions for those who evade their responsibilities and dealing with the historic arrears that built up under the Child Support Agency. This second set of regulations supporting the compliance and arrears strategy builds on those made last November. It includes provisions to make deductions from benefit fairer, to address uncollectable debt and to improve information-gathering processes, alongside amendments to the calculation and fees regulations so that they better reflect the intent of the 2012 reforms.

Let me turn first to the changes to powers to make deductions from benefits. All parents have an obligation to support their children regardless of their financial circumstances. Parents on benefits are liable to pay the flat rate of maintenance of £7 per week. If they do not pay voluntarily, we can take deductions directly from their benefit payment, plus a collection fee of £1.40. There are different rules surrounding what may be taken for ongoing maintenance and what may be taken for arrears.

The Child Maintenance Service can currently make weekly deductions of £8.40—a flat rate of maintenance at £7, plus a £1.40 collection fee—towards ongoing maintenance from certain benefits, and £1.20 towards arrears from a smaller number of benefits. In some cases, a total of £9.60 a week can be deducted. I want to make this policy fairer for all parents involved.

The regulations enable deductions towards arrears to be made from the same benefits from which the Child Maintenance Service can deduct ongoing maintenance. They also ensure that the service can deduct a maximum of £8.40 a week in all cases. They will stop deductions towards arrears and ongoing maintenance being taken at the same time, with arrears deductions being taken only after ongoing liability has been satisfied. This removes all current inconsistencies and means that arrears of child maintenance can be cleared at a faster rate.

I am also proposing specific changes to deductions from universal credit. The Child Maintenance Service can already deduct £8.40 towards ongoing maintenance from universal credit, if the paying parent has no income from employment. The new regulations will allow the Child Maintenance Service to do the same where the paying parent has earnings in line with other benefits. This will only apply in cases where the paying parent is liable to pay only the flat rate—that is, based on earnings of £100 a week or less. This change means there will be a more efficient and consistent approach to clients on UC with similar financial circumstances.

Let me turn to the proposals regarding protected trust deeds. A protected trust deed is an arrangement in Scots law between a debtor and their creditors. In Scots law, child maintenance arrears that are covered by the deed cannot be collected once a parent enters into its terms. Although dividends may be received towards arrears while the deed is in operation, once it expires any arrears covered by the deed are legally uncollectable. At present, any child maintenance arrears are still held on child maintenance computer systems, even though they are no longer enforceable. The regulations will extend our write-off powers to cover arrears within the terms of a protected trust deed, once that deed has expired. This change keeps our legislation in line with that in Scotland and provides clarity to parents about the status of these arrears. It also stops the Child Maintenance Service holding information about uncollectable arrears indefinitely at a cost to the taxpayer.

There are occasions when child maintenance agents need to access premises to gather information, using powers of entry—whether to trace a parent, to recover child maintenance arrears or to ensure that the child maintenance calculation is as accurate as possible. We do this in a limited number of cases and when other measures to collect this information have failed. In line with the Protection of Freedoms Act 2012, we propose an additional safeguard to protect the public from unnecessary intrusion. The regulations require an inspector to apply for a judicial warrant where they are refused or expect to be refused access to premises, or where they cannot contact the occupier. Although the Child Maintenance Service cannot use its powers of entry to access a wholly private dwelling, this change would reassure the public that independent judicial consideration has been given to any request for inspection. I expect only about 20 judicial warrants to be sought per year, and the occupiers of these premises will have all the usual rights of appeal via magistrates courts in England and Wales, or sheriff courts in Scotland.

I am also proposing changes to the manner in which the Child Maintenance Service requests information from certain organisations. Mortgage lenders and occupational pension providers can be a valuable source of information where there is a need to trace a parent, to calculate a maintenance liability or to decide on the best enforcement power to use. To collect this information currently, the Child Maintenance Service has to arrange for one of our inspectors to visit. Repeat visits are often needed when the information is not readily available, and that can be costly and time-consuming. The regulations add mortgage lenders and occupational pension providers to the list of persons who are legally required to provide the service with information; that information is provided in writing, on request.

[Will Quince]

When calculating child maintenance, the Child Maintenance Service aims to produce a fair reflection of what the paying parent can afford. This is usually based on the taxable income figure provided by Her Majesty's Revenue and Customs. The income figure given to the Child Maintenance Service by HMRC is currently provided after any deductions for pension contributions, but before non-taxable allowable expenses are disregarded. Parents need to notify the service to get those non-taxable expenses disregarded from their income figure. I propose a change in the legislation to make it clear in law that the income figure used to calculate maintenance must be used after allowable expenses have been disregarded.

The regulations also include a small technical change to collection fees, which were introduced in 2014 and were aimed at encouraging collaboration. They accrue alongside ongoing maintenance and, as with maintenance liability, accumulate when left unpaid. Collection of these outstanding fees can be enforced as though they were unpaid child maintenance. The regulatory changes that I am proposing clarify this policy intent and will provide the courts with a clear direction on fees when a liability order is sought.

Mr Jim Cunningham (Coventry South) (Lab): Who decides on the level of fee—the court or the Department?

Will Quince: The fees and charges—20% for the paying parent and 4% for the receiving parent—are set by the Child Maintenance Service.

The regulations build on the success of the child maintenance reforms, further developing collection measures and information-gathering powers, helping to make child maintenance fairer for all parents and ensuring that we fully deliver on the commitments in the compliance and arrears strategy. I commend the regulations to the House.

2.56 pm

Mike Amesbury (Weaver Vale) (Lab): May I first welcome the Minister to his place?

These regulations are a series of changes and clarifications designed to make it easier to collect arrears and maintenance payments under the child maintenance scheme. The Opposition do not want to obstruct the measures, and we will support them today. We agree with the Minister that it is extremely important for parents to fulfil their obligations towards paying for the cost of bringing up their children. If parents fail to fulfil this obligation and fall into arrears, it is right that Government Departments step in to pursue them—and, as a last resort, through the social security payments system. In supporting this change, we are mindful that having £8.40 a week deducted from benefits for child maintenance arrears can be extremely difficult for somebody on a low income, which may be as low as £73.10 a week if they are claiming jobseeker's allowance.

We are also too aware of the Government's rather chaotic approach to our welfare and social security system, and the unacceptable levels of debt, poverty and growing food bank use that are largely driven by the universal credit reforms. However, this must be weighed against fairness towards the care-giver, who has to bear the additional costs of food, clothing,

school expenses, childcare and other day-to-day costs of bringing up children. Child maintenance payments can be vital to families—especially those on low incomes—and to protecting children from poverty. According to the single parent charity Gingerbread, child maintenance alone lifts a fifth of low-income single parents out of poverty.

It is important to remember the context in which separated families are living. Lone parents are particularly vulnerable to poverty. According to the Joseph Rowntree Foundation, one in four lone parents is in persistent poverty—twice as many as any other group—and the inadequacy of the current social security system arguably makes child maintenance an even more vital source of income for struggling lone parents. Austerity cuts have driven lone parents further towards the brink, with the two-child limit and the benefit cap pushing three quarters of children in lone parent households further into poverty. The value of child benefit and child tax credit has not increased since 2015 due to the benefits freeze, making it harder to cover the costs associated with bringing up and looking after children. Meanwhile, the cost of childcare grows, according to the Child Poverty Action Group. The full cost of bringing up a child for a single parent has increased by 18% since 2012. Using social security as a vehicle for cuts is a political choice—and the choice has consequences, with over 4.1 million children now living in poverty.

Although we support the Government's intention to continue making deductions from paying parents to pay off arrears after they have no maintenance liability, as stated by the Minister, I note that there has been no impact assessment of these regulations. Will he commit to a full impact assessment, and commit to monitoring this policy to guard against any unintended consequences of the change?

Mr Jim Cunningham: My hon. Friend makes a point about childcare. I do not know whether he has seen the reports today about the Government paying something like £5 an hour for childcare although the costs are a lot higher than that. That means, in effect, that a lot of families are being excluded from childcare. Does he agree that the Government should do something about that?

Mike Amesbury: I certainly do. I thank my hon. Friend for that intervention. This case has been highlighted in the media today by the shadow early years Minister, my hon. Friend the Member for Batley and Spen (Tracy Brabin).

We agree with the regulations' intention to extend deductions from universal credit to include cases where the paying parents' household has earnings, but will the Minister provide clarification about the commencement of this policy? The Department for Work and Pensions consultation in December 2017 said:

“Changes to UC deductions would be implemented when UC is fully rolled out.”

However, it appears from the commencement regulation of the draft statutory instrument that the changes in respect of universal credit will take effect before roll-out has been completed. Is the Minister able to clarify that? Given that universal credit has been beset by so many problems and delays so far, will it be able to cope with yet another change to the system?

We welcome the DWP's intention to reduce outstanding arrears. Indeed, its consultation on this issue said that its changes

"would send a clear message to paying parents that failing to pay for their children is not an option. We will recover the arrears eventually, even if we have to wait until they claim State Pension." However, that appears to be slightly at odds with the Department's actions of December last year when it wrote off billions of pounds in arrears in child maintenance. Will the Minister supply an update on the progress of this arrears write-off and how many receiving parents have made representations asking for their arrears to be collected?

Alarming, according to the latest statistics, the level of arrears under the new CMS system appears to be creeping up, just as it did under the old system. Since the CMS began, a total of £259.2 million of child maintenance has been unpaid and should now be paid through the Collect and Pay service. That is 11% of all child maintenance due to have been paid since the service began. Although I do not doubt the commitment of the new Minister to tackling non-compliance and arrears, these figures start to make his words on the issue seem rather hollow. Does he have a performance target on the amount of child maintenance remaining unpaid?

Arrears can be compounded by the failure of enforcement in Direct Pay, where parents manage payments directly with each other. In its report on Direct Pay, published this year, Gingerbread reported complaints from parents that arrangements are prolonged by unclear thresholds of enforcement, and that there is inconsistent follow-up and very poor communication from caseworkers. It is very difficult to track enforcement in Direct Pay. Despite its being a central plank in the child maintenance system, the DWP does not track whether payments are made. As Gingerbread says, this means that the Department cannot report on compliance in 70% per cent of cases. Given its centrality to child maintenance arrangements, does the Minister not think it is now vital to track whether payments are being made under Direct Pay?

Labour Members would not contend with other measures in these regulations, including changes to information gathering—which will make things simpler and save the taxpayer money—powers of entry and the calculation change. However, I will finally raise an issue that is not dealt with in these regulations but is a major concern to separated families. Fees were introduced under the new system to encourage more family-based and Direct Pay arrangements. However, the evidence shows that, far from increasing collaboration between parents and prompting compliance, fees are deterring parents from using the CMS, and where parents do pay, it is a struggle to afford it. The Department for Work and Pensions itself has said that some parents are staying in an ineffective Direct Pay arrangement rather than moving to Collect and Pay. Does the Minister agree that it is unfair to charge single parents for using the CMS system when often it is the only option available to them? Will he commit to reviewing the impact of fees on receiving parents who have experienced financial coercion and abuse? I look forward to his response.

3.6 pm

Mr William Wragg (Hazel Grove) (Con): I shall not detain the House for too long with my remarks on this important statutory instrument that has considerable

effects on our constituents. I cannot, for the life of me, think why these Benches are not heaving at the moment.

I wish to draw two specific matters to the attention of my hon. Friend the Minister. I do so on the basis of understanding the fairness that there should be within this system for both the paying and the receiving parent. The first concerns income calculations. The SI makes several changes. However, what can be done to address the issue of mid-year salary reviews for the paying parent, which can lead to a significant unfairness? As I understand it, a maintenance calculation is meant to last for a whole tax year, subject to a change in income of 25%, up or down, within that year.

A constituent of mine from Marple has been making payments for his son since 2011. In 2017, he lost his job and briefly claimed benefits. He was fortunately able to find new work quickly, albeit on a significantly lower salary of 20% less than his previous job. He informed the CMS of his change in circumstances. However, because he fails the 25% test, the CMS is refusing to review the calculation, meaning that he is now making CMS payments based on a salary of over £7,000 more than he currently earns. As he is not earning that money, he does not have the money to pay, and this is therefore putting him in financial difficulties. He also has two other young children to care for in his current relationship. The policy is currently meant to cover scenarios such as losing or gaining employment completely, but not a change in job, role or salary. Ironically, had my constituent remained unemployed, his maintenance calculation would have been reduced, but by finding new work quickly, taking a pay cut and keeping up with his payments, he is now worse off, and that seems deeply unfair. Would my hon. Friend the Minister consider reducing the 25% threshold for a recalculation review to about 10% to 15% to give a better deal in such cases?

Let me now give the other perspective, of the receiving parent. A constituent of mine from Offerton informs me that she has been divorced from her children's father for seven years, and in all that time has only received approximately six months of maintenance payments from him towards the upbringing of their two sons. She received a letter in February this year informing her that the CMS plans to write off the £11,867.99 that is owed to her in unpaid child support. I find that course of action astonishing.

The issue is not the father and ex-husband's ability to pay, but his refusal to do so, as he is a successful self-employed director with his own limited company. A deduction of earnings order seems rather powerless, as, being his own boss, he is unlikely to enforce such an order against himself. More than £11,000 is an astonishing amount of money in the context of raising a child. What can be done to enable the CMS to better recover significant maintenance payments and arrears from people outside the standard PAYE tax system?

3.10 pm

Angela Crawley (Lanark and Hamilton East) (SNP): I welcome the new Minister to his role. I appreciate fully that it is not an enviable task to strike the delicate balance between ensuring that families and parents receive the support they need and ensuring that those who should be paying and are responsible for their children do so. It is no easy task, and I recognise that he has a hard task ahead of him.

[Angela Crawley]

The Child Maintenance Service ultimately provides vital financial support where parents are no longer able to work together. The fact that all parents ought to be responsible for the welfare of their children is unequivocal, but many families find themselves in a situation where they are either not receiving the financial support they are due or are unable to provide the financial support they would like to, due to their circumstances.

The historical changes to child maintenance still impact many families. The announcements regarding trust deeds, mortgage providers and methods of payment collection are broadly welcome. The reality is that most of the families who rely on this service are vulnerable. Many parents rely on this support, whether they are the receiving parent who relies on it to bring up their children, or the paying parent who finds themselves in financial hardship.

Despite the range of powers that the Child Maintenance Service has at its disposal, many receiving parents find that those powers are not being fully utilised. Examples have been given of paying parents finding ways around the system, and the pursuit of child maintenance is perhaps not being fully utilised. While further powers are welcome, it is important to consider the impact of these consecutive changes on many families who are reliant on this vital financial support.

There are examples of individuals evading the system and of frustrated parents who are unable to get the support they require. There are frankly many other people who are simply in a great level of poverty, regardless of whether they are the receiving or paying parent, but they are at the mercy of a bureaucratic system that does not recognise that. The charges applied to recovering and paying through the collect and pay service are often perceived as a disincentive, but there is frankly no alternative for many families.

I reiterate the concern that neither an impact assessment nor a family test has been done for these regulations, as far as I am aware. We know that under universal credit, those in debt struggle to pay for essential items. The possibility of pushing people further into debt has to be considered. Unfortunately, some people are in danger of being forced into a vulnerable place where they rely on food banks and Scottish welfare fund crisis grants, and those are people in receipt of universal credit. Does the Minister think that these changes will increase the number of people relying on mechanisms such as food banks and the Scottish welfare fund? How many cases throughout the UK does he think the regulations will affect? If a family test has been done for these regulations, why have the Government not published it? If a family test has not been done, what was the reason for that?

My final questions to the Minister are about the Cabinet Office guidelines on fairness in debt collection. The stated aim of the Cabinet Office is to

“continually improve how government interacts with people in debt, particularly those in vulnerable circumstances”.

Were the Cabinet Office guidelines taken into account when these changes were considered? Does the 40% maximum deduction rate for universal credit, which is soon to be reduced to 30%, take into account this change for those on universal credit who are paying back child maintenance arrears?

Many families in my constituency are reliant on the Child Maintenance Service, and I would like to ensure that, whether they are the paying or receiving parent, this is the fairest system that they can use, in circumstances where they are unable to use any other service. Any changes to the legislation can have unintended consequences, and consecutive changes to the Child Support Agency and the Child Maintenance Service have had an impact. Those in financial hardship, whether they are the paying or receiving parent, must be kept in mind. I want to know that these changes to legislation will not push people further into poverty and hardship, and I hope that the Minister has considered those points.

3.16 pm

Will Quince: First, let me thank all hon. Members for their comments and the good-natured and constructive approach they have taken. With your permission, Madam Deputy Speaker, I would like to take this opportunity to briefly respond to a number of the points raised.

The hon. Members for Weaver Vale (Mike Amesbury) and for Lanark and Hamilton East (Angela Crawley) asked about universal credit. In October, the maximum deduction for universal credit will go down from 40% to 30%. I will, of course, continue to monitor this policy in the way that I monitor all policies in my role.

The hon. Member for Lanark and Hamilton East asked about the family test. We conducted a family test, which concluded that there would be no adverse impact on family formation, family life or couple separation as a result of the proposals. As the Minister with responsibility for the family test, I think Members would expect no less. The family test was presented to the Social Security Advisory Committee as part of its scrutiny of the deductions from benefits provisions.

The hon. Lady talked about charges and the fairness thereof. It is important to say that charges account for about 10.5% of the costs of running the service. It is important that we operate a service that is fair to both the paying parent and the receiving parent. Most importantly, it must be fair to the children, who are the ultimate beneficiaries.

My hon. Friend the Member for Hazel Grove (Mr Wragg) raised a couple of points. Knowing what a determined campaigner and champion for the good folk of Hazel Grove he is, it would be churlish of me not to say that I would be happy to meet him to discuss this issue further. To set his expectations, there are no plans to change the 25% threshold. Nevertheless, I would be interested to hear his thoughts and any particular case that he would like to raise. I will come on to talk about enforcement, which he also raised.

My hon. Friend asked about deductions on earnings from people outside the PAYE system. If a parent is employed, we can make deductions of up to a maximum of 40% of their net income. For the self-employed, it is a bit more complicated, but we have a wide range of enforcement powers we can use, such as making deductions direct from a parent's bank account—including, since December 2018, from joint and business accounts, which was a significant step.

The Opposition spokesman raised a point about when UC deductions will change and when that change will be implemented. We are aiming to start UC deductions from earnings when this package of changes is introduced and UC has been rolled out. He also asked whether a

deduction from a parent's benefit will affect their relationship with the child. That is a very important point. We will—I will, certainly—very carefully monitor the implementation of this policy, and also deductions of benefits. Any deduction from a parent's benefit requires consideration of the welfare of any child—he would expect nothing less—and if we concluded that a deduction from benefit would negatively affect the child or children, it would not be taken. I hope that reassures the hon. Gentleman.

The hon. Gentleman asked about parents who are put on direct pay, and questioned whether the CMS does anything when payments are not made. The CMS still provides support for direct pay clients, so it is just not true to suggest that that support is not available. Those who do not receive their maintenance in full and on time should contact the CMS straight away, so that the case can be moved to the collect and pay service to enforce payments and any arrears.

It is important to say that, at the start of any case and at each annual review, parents are notified of what to do if their arrangements break down. The CMS sends text messages—SMS messages—to all direct pay parents three months after they have set up their arrangements to remind them to contact the CMS if their arrangement is not working for any reason. Information is available online, and is also provided by the CMS and Child Maintenance Options. It is important to say that, since March 2017, there have been sustained increases in the number of direct pay arrangements moving to collect and pay, although it is also important to note that this has levelled off in the past two quarters.

The Opposition spokesman also asked how many parents have made representations for their debt to be collected. At present, only a small proportion of cases have got to this stage in the process, so we are yet to publish data on that. That is a question he may want to ask me a little bit further down the line.

Last November, the House passed regulations to close loopholes, update the child maintenance calculation, deal with historical debt and bring in tough new sanctions for those who persistently evade their responsibilities. This second package of regulations builds on the first. The changes will make deductions from benefit fairer, tackle unenforceable debt, improve our information-gathering processes, and update calculation and fees regulations. I commend this statutory instrument to the House.

Question put and agreed to.

Sustainable Development Goals

3.23 pm

The Secretary of State for International Development (Rory Stewart): I beg to move,

That this House has considered the Sustainable Development Goals.

It is a great privilege to speak on the sustainable development goals, and it is a very unusual one for the International Development Secretary because this afternoon I will be speaking about the UK's performance at home, not abroad. The global goals apply not just to other people's countries, but to our own. This is a fundamental principle—a fundamental principle about being honest with ourselves, but also about learning some humility and learning, through doing it in our own country, about some of the struggles that other people are going through in their own countries.

We will be reporting in a formal report to the UN after this debate in Parliament, and I hope this debate in Parliament will help inform some of the report we send. This is the result of 350 organisations having contributed so far, with 35 events, 200 case studies and now this parliamentary debate. I really believe that the single guiding principle of the Department for International Development, which is of leaving no one behind, should guide our approach to thinking about Britain.

In presenting my brief remarks to the House, I am reminded of another thing I have learned through this process about dealing with opposite numbers in countries abroad. It is the necessary balance between pointing out problems in our own country and balancing it with our pride in and our optimism about our own country. This would be true for a development Minister in Nepal or in Rwanda. They, too, often feel—as I must, a little bit, at this Dispatch Box—the necessity of balancing talking about the negatives with talking about the things that we are genuinely proud of as a Government.

The starting point is that this is, for all the flaws and all the things we grumble about, a truly extraordinary country. Quite literally and quite technically, this country has never been so healthy and it has never been so educated. Development in this country, if it is compared with development elsewhere in the world, has been quite staggering. In the mid-19th century, life expectancy in this country hovered around 40; it is nearly twice that today. In other words, in the mid-19th century, life expectancy in this country was roughly comparable to that of rural Afghanistan. Even relatively recently, we have seen a halving in infant mortality in this country since 1985. Well within our own lifetimes, we have halved infant mortality.

This is of course true across the world; it is not just Britain. In 1980, 41% of the people in the world were living in extreme poverty. Today, only 9% of the population of the world is living in extreme poverty. For all the criticisms we make, the story across the world is one of progress. In comparing Britain with other countries, it is important to remember that we are not comparing like with like; there is an apples and oranges issue. Here we have a significant issue with relative poverty, but that is quite different from the type of absolute poverty we are talking about in somewhere like eastern Democratic Republic of the Congo.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I welcome the opportunity of today's debate, and I congratulate the Secretary of State on his appointment. Is he able to confirm that, when the UK makes its submission to the UN, we will make reference to every single one of the goals, targets and indicators for both domestic and international implementation?

Rory Stewart: Yes, I am able to confirm that. I hope my distinguished colleague the Chair of the International Development Committee will also feel that we have been quite rigorous and quite tough on ourselves, and have set quite high standards. This is a very open society, and there is no point for us as a Government in trying to hide. The statistics are out there in public, and people can see them from the Office for National Statistics, so we have tried to be as fair and frank as possible about the challenges we face and what we have achieved.

Kerry McCarthy (Bristol East) (Lab): The Secretary of State will know that the UN special rapporteur described the levels of poverty in the UK recently as "systemic" and "tragic"—I think those were the words—and that seems to have been rather glibly dismissed by some of his colleagues. Of the five goals on which the UK is focusing when it comes to the voluntary national review, why is goal 2—ending hunger—not in there when we know that the extent of food poverty, particularly childhood food poverty, in this country is so extreme?

Rory Stewart: That is a good challenge, which I think will come up again and again in these debates and in the response to the reviews. We have significant problems in our country—people will refer to, for example, food banks. I recently had a conversation that got to the heart of the matter with a Nigerian pastor who has just begun his ministry in Croydon. He was reflecting on his experience of poverty in Britain and in Nigeria. He said that there was definitely poverty in both contexts, but that it was very different. His brother had just died in hospital in Nigeria because he was unable to access basic healthcare. Of course, in Croydon, he deals with people who have significant problems, particularly with income. He talked about women who are struggling to afford sanitary products and about food banks. However, he also said that it was worth bearing in mind that those people have completely free access to healthcare and education, a water supply and shelter, so we come back time and again to the relationship between absolute and relative poverty.

Mr Jim Cunningham (Coventry South) (Lab): Following on from the point that my hon. Friend the Member for Bristol East (Kerry McCarthy) made, in any city in this country there will be areas where life expectancy is lower than in other parts of that city. We still have disparities in wealth and poverty, particularly in the north, but also in the midlands and the south. There is a lot of work to be done. Although we have a national health service and the third world does not have such things—I agree with the Secretary of State about that and that it is a matter of balance—I hope that the right hon. Gentleman will draw attention at the United Nations to some of the progress we have made.

Rory Stewart: That is the right tone in approaching the subject. There is an important fundamental issue: when we think about other people's countries, we often

forget about politics. We often talk as though development in somebody else's country is simply a matter of experts from the World Bank sitting down with a piece of paper. Yet development in any country is deeply political. People who drive development in other countries are politicians—members of political parties—and there are Oppositions who challenge them. Many of the problems in development—defensiveness, cover-ups, lack of transparency and progress—stem from the fact that we do not understand the politics well enough. The debate is therefore a good way of understanding some of the challenges in, for example, eastern DRC. People might believe that the issue around Ebola is just a technical question of getting the vaccines on the ground, but the basic issue is that the area is controlled by Opposition insurgency groups, which have a big problem with the capital. Politics is at the heart of all that.

For this country, I will move quickly through the global goals, looking at them essentially through the lens of five Ps—people, planet, prosperity, peace and partnership—and trying in every case to give examples of where we are doing well, where we are doing badly and the strengths that we have to build on. Looking at the UK as a whole is well beyond my brain and that of anyone in the House—and I am well aware that there are many experts in the House who know far more about individual areas of domestic policy than I do. I will attempt to present now what we will present to the United Nations as a way of trying to take a snapshot of Britain in 2019.

There have been significant improvements in healthcare even relatively recently. For example, stillbirths in this country have reduced by 18.8% since 2010. However, on the negative side, we need to do a great deal more on particular forms of cancer, on heart attacks and on stroke, where we do not achieve the results of some comparator developed countries. We have a strength to build on—the NHS, which is a truly remarkable organisation. It is very difficult to think of equivalents elsewhere in the world that have that key point of being free at the point of access. There are countries that have done better than us on cancer survival rates where healthcare is bankrupting for a family. It can mean the destruction of a family and the absence of health insurance can drive people to the wall.

We have reached the extraordinary stage where nearly half our population now goes to university compared with only 3% when my mother went to university. That is a big change since my mother was young. However, we can do much more in education. We are not doing as well as we can on basic numeracy and literacy and technical education compared with some of our comparators. We are also perhaps not thinking hard enough about the effect that robotics and AI will have on the world of work. Hundreds of thousands of people are at risk of losing their jobs to new technologies and we need to have bursaries for people in mid-life to retrain for a new world of work. However, to come back to the basic point of building on strengths, in our country, as hon. Members will have heard again and again from the Dispatch Box, 85% of children are in good or outstanding schools.

We have heard about equality, on which we have very significant challenges. In addition to the question raised by the hon. Member for Bristol East (Kerry McCarthy), there are other areas in this country that we do not talk

about enough—for example, the elderly poor. This area can genuinely be shocking. I feel that in my constituency if I see an 88-year-old woman looking after a 92-year-old doubly incontinent man, having to wake up every two hours through the night. That is a genuinely shocking thing.

I sometimes feel, coming back from Nepal or the Congo, that our family and community support structures for the elderly are not necessarily what they are in some other, much poorer developing countries. On the other hand, on the positive side, we can point out that in this country income inequality has, unusually among advanced countries, declined.

On the planet, there is a balance between three things. Yes, we are very proud that we have gone 300 hours without coal-fired power and that we have reduced our carbon emissions more than many comparable advanced countries, but nobody can get around the fact that we are facing a huge climate planet emergency. There is an enormous amount to do and there is simply no point being complacent or talking about our achievements in the past. There is a huge amount more that Britain can be doing on technology and research and development. For example, to stop China building another 300 gigawatt coal-fired power station, we should be developing solar technology, light spectrum technology and solar film to drive down the marginal costs. That is why, as the Secretary of State for DFID, I want to double the amount we spend within our budget on climate and the environment.

On prosperity, we are leading the world in certain sectors. We are doing very, very well in financial services and technology—I have been astonished by some of the robotics and AI companies I have seen recently—but we have a big problem with productivity. There is a big challenge in northern England in particular, where we really need to get infrastructure on the ground. We have not yet unleashed the potential that could come from, for example, properly connecting Newcastle, Carlisle and Glasgow, or properly connecting Leeds and Manchester, which is the huge opportunity.

There are, however, strengths we can build on. The most obvious is that, if one looks at the elections in the 1970s, the great issue in this country was of course unemployment. With all the challenges we have in our country, the achievements on employment have been quite remarkable. In particular, compared with 2015, 700,000 more people with disabilities are now in employment. There has also been a slight reduction—not a big enough reduction, but a slight reduction in that period—in the gender pay gap.

On peace—the penultimate issue on which we are measuring ourselves—crime has been falling. At the same time, however, we have a serious problem around knife crime. We have an enormous amount to learn from Glasgow's public health approach to knife crime. We have lost only two soldiers on active service since 2014. We live in a much more peaceful world in relation to Britain's activities overseas. That would have been almost unimaginable for a Minister to say from this Dispatch Box at any time, probably, in the past millennium—if this Dispatch Box had been around for a millennium.

Finally, on partnership, this country has an incredible voluntary sector and an astonishing civil society. We all feel that in all of our constituencies—I feel that in my constituency, as all hon. Members will in theirs—but we are still not harnessing it properly. Amazing community

schemes on community land trusts, community broadband and community planning are not being properly reinforced and followed up.

There are a lot of things that we could address. In recent meetings, for example, people have pointed out that if your mother lives in Middlesbrough and you live in London, could we not have a situation whereby somebody whose mother lives in London while they live in Middlesbrough visited your mother while you visited their mother? A lot of people would like to do that sort of thing, but as a society we are simply not good enough at tapping that kind of voluntary energy and bringing it together.

Given that I am often accused of being too gentle with those on the Opposition Benches, I am going to provoke them by saying that there is an example of partnership from which we can learn. I am going to pick possibly the most unpopular subject for those on the Opposition Benches: the privatised water industry. The extraordinary thing about the privatised water industry since 1980 is that by privatising water we have brought in £78 billion of investment that would not have otherwise come in. Water quality in this country is now at 99.6% and we are five times less likely to have an outage on our water. That is at a cost to the person of £1 a day for your water, in and out—an extraordinary achievement.

Mr Jim Cunningham: I think the right hon. Gentleman was watching Margaret Thatcher's speech on privatisation last night and is trying to imitate her here today.

Rory Stewart: That is the greatest compliment I could receive as a leadership candidate in this House—thank you very much.

In conclusion, we in this country, as all parties and all nations, have together achieved an incredible amount over the last 100 years. In my constituency, when my predecessor's predecessor, Willie Whitelaw, was the Member of Parliament for Penrith and The Border, a third of my constituents had no indoor lavatories and a third had no mains electricity in their homes. We have moved completely away from that world since the second world war. We are in a very different world but it should not be one of complacency; it should be a world of us all working together to make things much better. The biggest challenge in this country, as I will indicate in my foreword to the UN, is adult social care.

I began with the thesis that one of the problems in development is politics. If the House wants a classic example of the way in which a good, technocratic solution to a problem in this country has been hampered by politics, just as good solutions are hampered in other countries by politics, take adult social care. There have been dozens of White Papers and Green Papers over decades, royal commissions in and out and parties in and out proposing solutions, and we still do not have the solution in place. What I shall be saying is that we need to show some humility. We need to learn from this. We need to reach across the House and work with other parties to solve the great unfinished revolution of our society, which began with the NHS dealing with people who are ill but did not properly deal with the vulnerable, the frail and the elderly. If we can tap that together, Britain can go back to the world not arrogant, preening or presenting itself as a model to the world, but presenting itself as a partner with the world.

Kerry McCarthy: The Secretary of State is giving a characteristically thoughtful speech. I do not want to cast any doubt on what he is saying—I agree about the need to cross party boundaries when we try to find solutions to these issues—but I wonder whether it is really possible for him to do it from the Department for International Development, as opposed to, say, the Cabinet Office, leading on the domestic delivery of the sustainable development goals. Will he say a bit about how he can persuade his perhaps less thoughtful colleagues to come to the table?

Rory Stewart: The hon. Lady has put her finger on a very important point. In the end, it is all very well setting these kinds of goals, wearing the kind of badge that I am wearing and signing up to the things that we believe in, but this is about leadership right the way through Government. It is about people sharing a vision of the kind of world we want to live in and of what sustainable development means, feeling in our bones and sinews the connection between our contribution to poverty and the environment and how cities, communities, clean water, clean air, gender equality, productivity and employment all come together not only to provide a society that we are proud of, but perhaps above all—as Britain continues as a partner with the world—a world that we can be proud of: a world that is greener, fairer, more united.

3.43 pm

Dan Carden (Liverpool, Walton) (Lab): I pay tribute to the Secretary of State, who I think has an important engagement in around two hours' time—perhaps talking about saving the world is a pretty good warm-up act for talking about how to save the Tory party in his meeting later today.

The sustainable development goals set out an ambitious vision for the world: a world that is free from hunger and poverty, where men and women have equality, where everyone, regardless of income, can realise their right to health, education, water, energy and decent work and where peace, justice and climate action are top of the agenda. It is a vision that no one could disagree with. The crucial thing about the SDGs is that they are universal. Unlike their predecessors, the millennium development goals, the SDGs have to be realised by all countries, including our own.

I want to raise one concern. In last Thursday's business statement, the Leader of the House announced a "general debate on the UK voluntary national review on the sustainable development goals."—[*Official Report*, 6 June 2019; Vol. 661, c. 271.]

Today's debate was meant to focus on the UK's own voluntary national review process. I accept that the Secretary of State did his best to talk about the UK's report, but let us bear in mind that the report is meant to go to the UN in less than three days.

A further question to be answered is why responsibility for the UK's voluntary national review should sit with DFID: an entirely outward, international-facing Department. It is clear, and has been stated on the record, that the domestic delivery of the SDGs is a function for the whole Government. The Cabinet Office should be co-ordinating the process.

Lloyd Russell-Moyle (Brighton, Kemptown) (Lab/Co-op): Does my hon. Friend share my disappointment that the Government did a VNR only at the end of the cycle? The Netherlands has already done one and is embarking

on a second. The Government should consider doing a domestic VNR and an international VNR as separate processes. Donor countries do only a domestic VNR, but we are a country that both gives and has to look at what we are doing ourselves. We should probably do that as two separate processes involving different stakeholders and people.

Dan Carden: My hon. Friend makes an important point. I will come to some of the criticisms of the Government's handling of the process.

Mr Jim Cunningham: Following on from my hon. Friend the Member for Brighton, Kemptown (Lloyd Russell-Moyle), some months ago a United Nations report was critical of poverty in this country. I would like to hear more about how the Government will address that. Does my hon. Friend not agree that that should also be a top priority?

Dan Carden: Absolutely. I will come to the special rapporteur's report in a few moments.

Dr David Drew (Stroud) (Lab/Co-op): Does my hon. Friend share my concern that one of the reasons for the conflation is that there are still Conservative Members who would love to remove the 0.7% contribution of our national income towards foreign aid? It has already been diluted. Does he worry that that is in play according to some of the leadership candidates?

Dan Carden: My hon. Friend is right. The previous International Development Secretary looked at ways to water down the 0.7% commitment, although this Secretary of State committed to it at International Development questions last week. I asked whether he would call on his opponents in the Tory leadership race to make the same commitment, but I do not think we have heard much from them. It is certainly a worry throughout the sector.

As I have said, the Cabinet Office should be co-ordinating the process. We heard the Secretary of State try to talk about some of the domestic issues, but they go far further than those he could elaborate on. In particular, following numerous complaints from UK charities that the Government are not taking the SDGs or the voluntary national review seriously, it is remarkable that there does not seem to be even a basic understanding of who is responsible for what. I was therefore somewhat surprised to see on the Order Paper yesterday that the focus of this debate had changed, shifting unannounced away from the UK's own performance to the much broader topic of the SDGs in general. The scope of the debate now covers the whole world—quite an extension.

There could not be a bigger agenda out there than changing the world by 2030, yet there is little or no leadership in the UK. There appears to be poor co-ordination and zero vision. The Secretary of State may be very good at talking to people in the streets and on Twitter at the moment, but the truth is his Government and Departments have given up talking to one another.

Lloyd Russell-Moyle: The UN Secretary-General has said that the process in a voluntary national review should be for the Government to consult Parliament and the Opposition, as well as members of the Government

and civil society. Does my hon. Friend agree that the Government have been pretty lacking in real, detailed consultation during this process, particularly in Parliament? We have had one or two informal sessions and an inquiry by the International Development Committee, but there has been no proactive, issue-by-issue engagement on the Government's part.

Dan Carden: Both the International Development Committee and the Environmental Audit Committee have expressed concern about a lack of co-ordination and a lack of discussion of these issues in Parliament. The Secretary of State was not able to address that in his speech, but I hope that the Minister will do so later. Our VNR report is due to be with the United Nations in just three days' time. It is a blatant attempt to sweep under the carpet the UK's failure to make any progress towards meeting the global goals for its own citizens—its failure to tackle poverty, hunger and homelessness in our own country, the fifth richest on the planet. There is a total lack of leadership, and I have to ask what on earth is going on, because we have been given no satisfactory details about the process today.

In the meantime, let me set out what I do know about how we, as a country, are doing on the SDGs. I do not need to be shadow Secretary of State to make these judgments; I can talk about my own constituency in north Liverpool and the poverty that I see there.

The first and most crucial goal is the ending of poverty. In that regard, sadly, we have little to be proud of here in the UK. Under this Tory leadership, one fifth of the population are currently living in poverty. In the past year alone, the Trussell Trust issued 1.6 million emergency food packages across the country, more than half of which went to children. Rough sleeping has risen by 165% since the Tory party took power in 2010, and child homelessness has surged by 80% in the same period.

The UN special rapporteur on extreme poverty and human rights was damning of poverty in the UK. He said that it was

“patently unjust and contrary to British values that so many people are living in poverty.”

His report warned that on current trends, child poverty rates could hit 40% by 2021. He said:

“The results? 14 million people, a fifth of the population, live in poverty. Four million of these are more than 50% below the poverty line, and 1.5 million are destitute, unable to afford basic essentials. The widely respected Institute for Fiscal Studies predicts a 7% rise in child poverty between 2015 and 2022, and various sources predict child poverty rates of as high as 40%. For almost one in every two children to be poor in twenty-first century Britain is not just a disgrace, but a social calamity and an economic disaster, all rolled into one.”

What was the Government's response to that damning report? They tried to smear it. However, I can tell the House that I see poverty day in, day out, with my own eyes, in my constituency, where 40% of children are already growing up in poverty. A study by the Centre for Cities revealed Liverpool to be the city hardest hit by austerity, with a cut of £816 per head in day-to-day spending since 2010. A staggering 64% has been slashed from our local authority budget; 3,000 council staff have been lost; and local services are stretched to the limit. Liverpool now has the second highest levels of destitution in the UK, and that means a lack of basic

essentials, including food and shelter. According to the Office for National Statistics, even life expectancy is starting to creep backwards in Liverpool. Austerity is literally cutting lives short.

The stark reality faced by so many of the people I represent could not be further from the rosy picture painted by Ministers at the Dispatch Box. That is exactly what Philip Alston meant when he described an “almost complete disconnect” between what Ministers and the public see, and it is why so many people were outraged when our multimillionaire Chancellor said that he does not accept that large numbers of British people are living in poverty; he really should take a step outside Downing Street.

Hunger is addressed as one of the global goals, and I have with me the “Agenda 2030” paper, which explains the UK Government's approach to delivering the global goals for sustainable development at home and abroad. Goal 2 of “zero hunger” does not even mention food banks in this country; it talks about secure farming and childhood obesity, but it is incredible that a report on how we are delivering on the global goals in this country does not even mention food banks. I hope that the Secretary of State will take this opportunity to finally break with the state of denial that has shamefully typified his Government when it comes to the scale of poverty here in the UK.

Far from eradicating poverty, this Government have exacerbated it. It is no wonder that they decided to shift the focus of today's debate at the last minute rather than face up to these realities at home, because what an embarrassment it is that this country will go tail between our legs to the UN high-level meeting in July. With our global reputation already smashed to pieces, this Government have only two choices: double down on their attacks on the special rapporteur or admit that our own record on poverty is, despite our being one of the wealthiest countries in the world, utterly shameful. With such an appalling domestic picture, how can this Government seriously be trusted to lead on work eradicating poverty globally?

Let me now say a few words about our work towards achieving the SDGs internationally. DFID staff work extremely hard to bring about meaningful change in people's lives across the world, and we in the Labour party fully back the UK's role as a global champion of international development. Although I am grateful for the Secretary of State's confirmation just last week in the Chamber that he supports the continuation of the 0.7% spending targets, unlike some of his colleagues, I remain deeply concerned about the way that aid has been spent in recent years. Under this Government, aid has been diluted and diverted away from poverty reduction towards spending in the UK's national interest, including for the benefit of UK commercial and business interests.

If we are serious about achieving the SDGs at a global level, we must prioritise supporting people across the world in seeking to build their own public services. We know from our own experience right here in the UK how essential free schooling—state schooling—and our national health service are in ensuring equality and that people can have a dignified life. That is why in government a Labour DFID would establish a dedicated unit for public services within the Department.

Another major barrier to achieving the SDGs both domestically and globally is this Government's policy incoherence. I welcome the Secretary of State's plans to

[Dan Carden]

prioritise the climate crisis, which is crucial to achieving goals 13 and 7 on climate action and on clean energy, but his colleagues do not appear to be on the same page. It is this Government who have shut down the dedicated Department of Energy and Climate Change. It is this Government who continue to promote fracking and support the growth of fossil fuels overseas; over 99% of all energy support provided by UK Export Finance goes to fossil fuels. And it is this Government who continue to spend our aid money on new oil and gas projects overseas through the prosperity fund and CDC investments.

The Government's policy is not just incoherent in the area of climate; it is also fuelling conflict through arms sales. According to Christian Aid, while DFID allocates at least 50% of its development spending to conflict-affected regions, more than 50% of UK arms exports are now sold to countries within these same regions. Meanwhile, ongoing arms sales to Saudi Arabia fuel the conflict in Yemen, directly undermining goal 16 on peace.

Lloyd Russell-Moyle: Does my hon. Friend find it appalling, as I do, that British fighter jets using British ammunition and flown by people trained in Britain on routes that are set out in Saudi control centres where British personnel are based end up bombing British-paid-for aid in Yemen? That country is suffering one of the worst humanitarian disasters we have seen in 100 years, and something being done in the voluntary national review to change our policy on Saudi Arabia and Yemen would be one instance in which we could actually see progress. Does he agree that if that is not done, it will show the Government's commitment to peace and international justice for the sham that it is?

Dan Carden: I am pleased to agree 100% with my hon. Friend, and I congratulate him on his tireless efforts to highlight these utterly disgraceful practices.

I should like to raise a final point relating to the SDG agenda. If we are to bring about the kind of world envisaged under the SDGs, we need to start talking about the structural causes of poverty. Debates about the sustainable development goals have become dominated by discussions on how to mobilise trillions in additional finance and, in particular, how we can mobilise private finance and philanthropic funds. This is not good enough; charity alone will not solve the world's problems, especially if we are ignoring the reasons that these problems exist in the first place.

I have said before, and it really cannot be said enough, that poverty is not a technical problem. Poverty is man-made, and to solve it we need to change the unfair global economic order that is rigged in favour of the few at the expense of the many. I support efforts to increase funding, and I am a passionate believer in the continuation of our 0.7% aid spending, but we need to go further. We do not talk enough about the unfair structures and the imbalanced voting power within global financial institutions such as the World Bank and the International Monetary Fund. We need to do more to tackle the tax avoidance that means developing countries losing out on trillions of pounds of revenue each year. The SDGs do not go far enough in preventing unjust debt burdens. Does the Secretary of State agree

that poverty is not simply about a lack of funds and that the answer to global poverty does not lie in taking a begging bowl to the world's billionaires? Will he instead use the UK's moment at the high-level political forum in July to raise the questions on the structural causes of poverty that are missing from the current agenda?

To conclude, the UK's voluntary national review, which is due to be with the United Nations this week, has been mishandled and botched by this Government. It has lacked leadership; it has not been taken seriously from the start; and today the Government have backtracked on their own decision to have a full parliamentary debate on it within days of announcing it. It is a total and utter embarrassment. If this process had been taken seriously, it would have allowed the Government to face up to their record in office over nine years and own up to the utter failure of austerity. I hope that this Secretary of State will therefore use this as a moment to take stock of his Government's failure on poverty and inequality here at home in the UK.

4.4 pm

Chris Law (Dundee West) (SNP): I welcome the new Secretary of State to his place. I have been in this role for two years, and I now face my third Secretary of State for International Development. However, I thank him for his humility regarding some of the issues that this country faces in trying to meet our sustainable development goals. He also talked about a third of the homes in his constituency not having an outside toilet when Willie Whitelaw was the MP, but only half of homes in Dundee had an outside toilet under Churchill. He was flushed out by an MP for the Scottish Prohibition party, which I was surprised to learn given that we are the home of whisky, gin and fine ale.

It is important to remember that, back when the sustainable development goals were adopted in 2015, all 193 nations committed to achieving a transformational development agenda by 2030—a significant diplomatic achievement to say the least. It is also worth remembering that the Paris climate accord was agreed in the same year, so perhaps 2015 was a high point in recent times. The UN describes the SDGs as a shared blueprint for peace and prosperity for people and the planet, now and into the future. The rallying cry throughout the negotiations was “leave no one behind” yet sadly, from day one in 2015, the UK Government have been lagging in their commitment to implement and achieve the 17 goals.

The 2015 UK aid strategy did not refer to the SDGs. The 2016 bilateral and multilateral development reviews only briefly mentioned the goals. DFID's 2017 report on the Government's approach to the SDGs fell far short of the comprehensive implementation plan that the International Development Committee had asked for, while the Environmental Audit Committee stated that there was an “accountability gap” across Government.

Despite the lack of appropriate focus and co-ordination given to the SDGs, the UK will present its own voluntary national review to the UN at the high-level political forum on sustainable development. The VNR will assess the UK's progress on the SDGs, indicating what the UK has done to date and setting out how it will push forward towards achieving the sustainable development goals by 2030. It is therefore important that we are having this debate today to draw attention to the significance

of the SDGs and to spell out how vital they are in addressing the global challenges we face, including those related to poverty, inequality, climate, environmental degradation, prosperity, peace and justice, and in ensuring a better and more sustainable future for all.

Lloyd Russell-Moyle: The hon. Gentleman celebrates the fact that this debate is happening today, but should it not have happened a year ago and been followed up with 17 sectoral debates in which we could have discussed in depth how Britain is faring? This should have been a debate to wrap up and to prepare for how to present Britain to the UN with a united face. The problem is that this process has been a farce and has not been given the full weight that it deserved.

Chris Law: I completely agree with the hon. Gentleman. The SDGs could be a comprehensive blueprint for each Department, regardless of who is in government, because they also provide the Opposition with an opportunity to contribute.

Furthermore, it is critical that people across Government listen to us today and use this opportunity to commit to a coherent and robust SDG implementation plan in order to achieve all 17 goals domestically and to support other countries to achieve them.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): My hon. Friend is making an excellent speech. Does he agree that it is important to raise awareness of the goals? Incorporating elements of them into the curriculum so that young people can fully participate would be an excellent idea.

Chris Law: I agree with my hon. Friend. In fact, I visited a local primary school in the past month or two to discuss global leadership, and I was impressed that the children were able to list all 17 goals. Getting the SDGs into the national curriculum across these islands is vital. The next generation will inherit both what we do right and what we do wrong, so now is the time to put this topic front and centre.

It is no secret that the SNP is working towards an independent Scotland, but crucially we want this process because we want to play our part as global citizens, to improve the lives of people at home and abroad, and to aim to be world-leading in everything we do. The Scottish Government's actions on the sustainable development goals typify that. Not only was First Minister Nicola Sturgeon one of the first national leaders to commit publicly to the SDGs, but Scotland has continued to set the pace for the rest of the UK. The First Minister noted in 2015:

"The national and international dimensions to poverty and inequality are interlinked. Scotland cannot act with credibility overseas, if we are blind to inequality here at home. And our ambitions for a fairer Scotland are undermined, without global action to tackle poverty, promote prosperity and to tackle climate change."

The UK Government would benefit from listening to those words. Let me outline some evidence of what is being done.

Commenting on the Scottish Government's attempts to reduce inequalities, the Scottish Council for Voluntary Organisations noted that

"great efforts are being made to help Scotland progress towards the SDGs."

It highlighted the introduction of a new advisory council on women and girls as just one example of Scotland's efforts to reduce inequalities.

Similarly, in the 2018 "Measuring Up" report by UK Stakeholders for Sustainable Development, Scotland's target to eradicate child poverty in Scotland by 2030 through the Child Poverty (Scotland) Act 2017 was praised as "ambitious" and the Child Poverty Action Group's "The Cost of the School Day" programme featured as a case study for UK best practice. We should just think how that compares with the comments made by the UN special rapporteur on extreme poverty and human rights, Professor Philip Alston. He said that the UK's social safety net has been

"deliberately removed and replaced with a harsh and uncaring ethos" and that the UK Government have inflicted "great misery" on their people with

"punitive, mean-spirited, and often callous"

austerity policies. How did the UK Government reply? Denial.

The priorities of this Conservative Government have been laid bare by the fact that the only SDG target for which the UK has received a green rating is under goal 8, on decent work and economic growth:

"Strengthen the capacity of domestic financial institutions to encourage and to expand access to banking, insurance and financial services for all."

That is almost laughable, because I do not think a single Member represents a constituency that has not been affected by local bank closures on the high street. Surely this serves only to demonstrate that the UK Government are focused on boosting the financial services sector while ignoring working people.

As well as work at home, the Scottish Government have been striving to support other countries to achieve the SDGs overseas. It goes without saying that SDG 4, on quality education, is one of the most valuable tools in the fight against global poverty, yet some of the world's most vulnerable people remain without access to education. The SNP Scottish Government have been working to meet this goal by empowering people in developing nations and giving them the skills and opportunities to improve the lives of themselves and their communities.

We have backed programmes such as the Pakistan scholarship scheme, which has helped to support more than 400 women and more than 1,400 schoolchildren to continue their education. Also, more than 73,000 Malawian children have been helped to stay in school through support given to a feeding programme, while the Livingstone fellowship scheme allows doctors from Zambia and Malawi to come to Scotland for specialist training, which they will take back home for the benefit of their communities. Last week I was pleased to hear the Secretary of State commend Scotland's partnership with Malawi and the many projects it upholds.

SDG 16, on peace and justice, is one of the UN's five priority goals this year. As well as welcoming people from developing countries for training, Scotland has been a place of refuge for those fleeing conflict. Scotland, which has less than 10% of the UK's population, has taken almost 20% of the UK's intake of Syrian refugees.

The Scottish Government are also playing a role in the Syrian peace process. The SNP has long shown its determination to put women at the heart of government

[Chris Law]

and politics. Recognising this, the UN special envoy to Syria invited the First Minister to provide support in training female peacemakers in negotiation and communication skills. Indeed, since its launch, the programme has trained more than 150 female peacemakers from Syria, Libya, Palestine and other conflict zones around the world. These are clear examples of the Scottish Government's ambitions being met in Scotland and overseas, and I now turn my focus to the UN's fifth focus goal for 2019, namely SDG 13 on climate action.

Crucially, many of the sustainable development goals will be rendered unachievable, and existing development gains that have been made will be reversed if we do not tackle climate change. The Intergovernmental Panel on Climate Change report of autumn 2018, the UK Committee on Climate Change report of May 2019 and the International Development Committee report of this month all reach the same conclusion: we have too little time to prevent Earth's temperature from increasing by more than 1.4° without radical solutions and clear political leadership. By way of example, Mongolia and Tibet are already experiencing 2° above pre-industrial levels.

The demonstration by Extinction Rebellion and strikes by young people in our schools serve to focus us on and remind us of how urgent action is needed. There is no doubt that we face a climate emergency. The world will be less safe, resources will be sparse and ecological and demographic crises will be unmanageable. What good is our work on education, inequalities, peace and justice if it is undermined by natural disasters, civil unrest, disease, displacement and mass migration caused by climate change, which pushes 100 million more people into poverty?

I was interested to hear the Secretary of State affirm last week:

"There should be no distinction at all between the work that we do on international development and the work that we do on climate and the emergency."—[*Official Report*, 6 June 2019; Vol. 661, c. 256.]

That is commendable, and I am sure he will look to how the Scottish Government have approached the issue, and have become a world leader in their response to climate change. The Scottish Government have rightly called a climate emergency. Scotland has outperformed the UK as a whole and is one of Europe's leading countries in cutting greenhouse gas emissions. Our target is to cut those by 90% by 2050, compared with the UK's target of 80%. Also, a publicly owned, not-for-profit energy company to deliver renewable energy will be established as part of the strategy to reduce emissions.

Patrick Grady (Glasgow North) (SNP): It might be worth reflecting—the Secretary of State might be interested in this—that the water company in Scotland is in public ownership, and has managed to achieve at least as much success as the privatised system down south, but with all the benefit being retained for the public purse.

Chris Law: That is absolutely correct. If you look across these islands, Scottish Water covers all of Scotland, which is one third of the landmass of the UK. Most people sometimes imagine Scotland to be a small periphery; it is actually a huge part. Considering the number of

water companies across the UK and their different rates and tariffs, and the fact that people have to measure the amount of water they consume to keep their costs down, it really is a great benefit to us that our water in Scotland is nationalised. Furthermore, Scotland's ban on diesel cars will begin in 2032—eight years ahead of the UK Government's—and unlike the UK Government, the SNP does not support fracking, or a return to nuclear energy.

In addition to that progress at home, the Scottish Government have distributed £21 million through the world-leading climate justice fund, which is now supporting projects in Malawi, Zambia and Rwanda. Through that, more than 100,000 people have been provided with training on climate change and water rights issues; over 100,000 trees have been planted; and over 200 village-level committees have been established to support water management, to prevent or mitigate the negative impact of climate change.

Let us be in no doubt: tackling climate change is a universal imperative. The UK Government can take lessons from the Scottish Government, and must recognise the imminent impact that climate change will have on international security and humanitarian access to fundamental resources, both at home and abroad.

In a report that I mentioned earlier on UK aid for combating climate change, produced by the International Development Committee, we concluded that climate change must be placed at the centre of each strategy and funding. Our report urged a minimum spend of £1.76 billion annually, and a halt to funding fossil fuel projects in developing countries unless it was possible to demonstrate that they supported transition to zero emissions by 2050.

Disappointingly, we often heard evidence suggesting that Government Departments were not taking climate change seriously, and that there was not joined-up thinking across Whitehall. When I asked the prosperity fund what proportion of its spend supported the use of fossil fuels, I was told that it could not provide that percentage. Similarly, when I asked whether any assessment had been made of the carbon footprint and potential climate impact of its spend, I was told that it did not have specific indicators on carbon footprint. That was surprising and extremely worrying. Unfortunately, that incoherence and lack of focus appears to be common across Government, with policy in one area often undermining delivery in another. Nothing exemplifies that more than the fact that fossil fuels made up 99.4%, as mentioned by the hon. Member for Liverpool, Walton (Dan Carden), and renewables a mere 0.6%, of UK Export Finance's energy support for low and middle-income countries; those are the countries most likely to be adversely affected by climate change. There is a long-term tie-in to those countries, because once fossil fuel energy supplies are established, they can go on for decades, fundamentally undermining our goal of reducing CO₂ emissions globally.

Between 2013-14 and 2017-18, in low and middle-income countries, UK Export Finance provided £2,360 million-worth of support for exports in the fossil fuel energy sector, and less than £2 million-worth of support for exports in the renewables sector. It is therefore no surprise that this policy incoherence has impacted on the UK's ability to deliver the sustainable development goals.

In their “Measuring Up” report last year, the UK Stakeholders for Sustainable Development found that out of 143 relevant SDG targets, the UK’s performance was “inadequate” or “poor” on 76% of them. Astonishingly, that is more than three quarters, for those of us of a certain age who work on the pre-decimal. The UK Stakeholders for Sustainable Development has also stated that there is little evidence of tangible progress from Government Departments, or the Prime Minister, or even within the Cabinet.

Carol Monaghan (Glasgow North West) (SNP): Last night, I watched with horror a programme called “War on Plastic” with Hugh Fearnley-Whittingstall. One of the things he said was that although we think we are recycling plastic here in the UK, it is being shipped to developing countries—Malaysia was mentioned because it is the largest recipient. Often, that plastic not only pollutes their water supplies but is then burned, contributing again to CO₂ in the atmosphere. Does my hon. Friend share my concern about the fact that when we think we are doing the right thing and recycling, we are actually causing even more damage? We need to take urgent action on single-use plastics and our relationship with them.

Chris Law: I completely agree with my hon. Friend. The idea that getting rid of little plastic stirrers and straws is really tackling the problems with plastics is farcical. Frankly, it is paying lip service. When China stopped importing plastics in 2013, Malaysia became the biggest importer, but Malaysia is now looking to stop importing plastics, so things need to move fast and radical action needs to be taken. There needs to be a co-ordinated plan from the Government.

Dr Cameron: I thank my hon. Friend for being so generous in giving way. On his point about sustainable development and the use of plastic, I had the opportunity to visit the Copenhagen fashion summit just a couple of weeks ago, and some of the big training-shoe manufacturers are doing innovative work on reclaiming plastics from the sea and making them into training shoes. That is a good idea not only for reaching out to young people but for recycling. Does my hon. Friend think that such ideas should be supported?

Chris Law: I thank my hon. Friend for making that point. She has reminded me of another point: Scotland now has the world’s first company to look into the re-tarmacking of roads without using oil. Recycled plastics will be used instead. In the past couple of weeks, it was announced that a cul-de-sac in a building development was the first road to be surfaced with such material.

It is clear that the UK Government have not developed a focused strategy to address the sustainable development goals seriously and needs to start to deal with these issues with the urgency that they deserve. Although DFID is co-ordinating the voluntary national review, which is commendable, and is also responsible for its overall drafting process, the delivery of specific goals is spread across a variety of Departments. Despite that, the UK Government are failing to communicate the SDGs across those Departments. Witnesses have told the International Development Committee that they did not know about the SDGs until the VNR process began—that is shocking—and that there is still limited knowledge of the goals among officials. If I have one

thing to say before I conclude, it is that all Departments need to understand what the SDGs are. They should be front and centre in everything they do.

Vicky Ford (Chelmsford) (Con): May I take the hon. Gentleman back to the discussion about plastics? So many people will have seen that moving “War On Plastic” film last night. Will the hon. Gentleman take a moment to thank the colleagues from all parties who took part in the campaign at Lent to raise awareness of and support Tearfund’s work on setting up sustainable plastic-recycling facilities in developing countries? That campaign was match funded by the UK Government, under DFID, and has raised millions, and it is expanding into many other countries.

Chris Law: Indeed, on the issue of plastics, the environment and the climate, we share common views throughout the House, and I am of course happy to reflect that, as well as the great work that Tearfund has done.

As the Select Committee stated in its letter to the Secretary of State in April, given that the UK signed up to the SDGs in 2015, nearly four years ago, the current situation just is not good enough. It is becoming increasingly clear that, given the all-encompassing nature of the SDGs, DFID is not the Department most suited to ensuring that they are embedded in everything that the Government do. We cannot afford not to take the SDGs seriously and instead to treat the whole process as a box-ticking exercise that can be forgotten about once the VNR has been and gone.

We have a unique opportunity to eradicate poverty, reduce inequalities, combat catastrophic climate change and protect our natural environment by 2030. We simply cannot pick and choose which goals are important to us and which ones we can disregard. Sadly, it does not appear that the UK Government have used the opportunity of the VNR to make the SDGs better known in the UK or to take their own responsibilities more seriously. For example, in a letter on 6 June, firms and charities called for the Government to promote international development through their international trade policy. If the UK wants to do that, it should follow France’s example and call for the USA to return to the Paris agreement before it starts any trade talks.

Instead, in the same week, we saw the UK Government roll out the red carpet to President Trump, a climate change denier, in a desperate attempt to secure a trade deal, with anything up for grabs.

Going forward, it is expected that the Prime Minister will attend the first four-yearly Heads of State meeting on the sustainable development goals at the UN General Assembly in September. Should that Prime Minister be the current Secretary of State for International Development, I would welcome hearing whatever he is likely to say in September. Of course, as of yet, we have no idea who that Prime Minister will be. Although the Secretary of State understands that we face, in his own words, a climate cataclysm and would like to double the amount that DFID spends on climate and the environment, sadly the same cannot be said of several of the other candidates also vying to become Prime Minister.

One candidate endorsed a report that recommended that the UK should spend 0.7% of its income on aid only if it

“gains the freedom to define aid as it sees fit.”

[Chris Law]

He also said that aid spending should be used in the UK's

"political, commercial and diplomatic interests"

and called to change the Department's purpose from poverty reduction to furthering

"the nation's overall strategic goals."

Another candidate has spoken of her desire to halve the UK's overseas aid budget and abandon the UK's commitment to the UN target of spending 0.7% of national income on aid. When I saw that on "The Andrew Marr Show" on Sunday morning, my chin literally bounced off the kitchen table. Although the Government will cherry-pick their examples of progress on the SDGs in this debate today, it has been evident that their implementation of the sustainable development goals has been shambolic and the future could be bleaker should some in the Conservative party get their way.

In conclusion, I would like to quote Richard Curtis, film writer and director responsible for films such as "Four Weddings and a Funeral", "Bridget Jones's Diary", and "Love Actually". Importantly, he was in front of the International Development Committee today, because he is also UN advocate for the SDGs and co-founder of Project Everyone and Comic Relief. He summed up precisely what needs to be done by this UK Government when he said:

"The UK is reputed for campaigns such as Live Aid and Band Aid"—

those of us in this Chamber who are old enough, which is most of us, will probably remember them—

"as well as Make Poverty History, yet what we need is one person who is thinking about this all the time. We need real leadership."

Whoever becomes Prime Minister next month needs to learn the lessons of the UK's implementation of the SDGs so far. We are nearly one third of the way from the adoption in 2015 to the target date of 2030. I urge the UK Government to use the VNR to mark the beginning of a more thorough and serious approach to implementing the sustainable development goals—a starting point with proper leadership and proper cross-departmental engagement—and to look at some of the examples that I have mentioned and that have been demonstrated by the Scottish Government.

4.27 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): It is a pleasure to follow three very thoughtful speeches—from the Secretary of State, from the shadow Secretary of State, my hon. Friend the Member for Liverpool, Walton (Dan Carden), who is also my constituency neighbour, and from the SNP spokesperson, the hon. Member for Dundee West (Chris Law), who serves with distinction on the International Development Committee.

The global goals have been a key focus for the Committee since 2015. In June 2016, the Committee published a report on the goals and their implementation at that time, and that was three years ago. We found then that, despite the leading role the UK had played in shaping the goals, progress on working out how to implement them here in our own country was disappointing. We concluded that meeting the goals by 2030 would require strong leadership, a coherent implementation plan and, crucially, the engagement of all Government Departments.

We are now conducting a fresh inquiry into UK progress on the goals, in which we have explored DFID's role as the lead Department, as well as looking at the VNR process. In the evidence that we received, we highlighted the fact that the strong leadership shown by the UK in the creation of the goals has not been sustained since their adoption.

Alex Sobel (Leeds North West) (Lab/Co-op): We have an upcoming spending review. Surely that spending review should take the 17 sustainable development goals as part of its core mission, as well as net zero emissions, which I have called for previously.

Stephen Twigg: That is a fantastic idea, and I hope the Minister will be able to respond to it when she closes.

Mary Creagh (Wakefield) (Lab): My hon. Friend will know that my Committee—the Environmental Audit Committee—has also been looking at the domestic implementation of the goals. Way back before the general election, we were told that the way of delivering the goals here at home was through the single departmental plans, so does my hon. Friend share my disappointment that only two Departments—DFID and the Treasury—mentioned the SDGs in their plans immediately after the 2017 general election?

Stephen Twigg: I pay tribute to my hon. Friend for the leadership that she has shown on this issue and the work of her Committee, to which I will return in a moment. She is absolutely right. To be frank, I think the single departmental plans are an insufficient mechanism for delivering the goals anyway, but it is a huge concern if even that is not being achieved.

So far, 111 countries have submitted their voluntary national reviews to the UN. The UK was slow to put itself forward, only committing in November 2017 to present its first VNR, which we will do this year. We have fallen behind other key countries, including Germany, France, Sweden, Canada and Ireland. The Department did not even host its first stakeholder meeting on the VNR until the end of July last year. Departmental champions, described by DFID as

"responsible for supporting production of the review",

were not appointed until late October 2018. DFID's own stakeholder events—the only comprehensive attempts to reach out to different groups as part of the VNR—were very welcome, but they did not start until March this year—just three months ago.

One of the founding principles of the 2030 agenda is "the requirement for all implementation and follow-up processes to be participatory and inclusive".

Stakeholders from civil society, the private sector, Parliament and the general public have a crucial role to play in the VNR process. Indeed, stakeholders have been keen to engage more, particularly UK-based civil society organisations such as UK Stakeholders for Sustainable Development and the Bond SDGs Group, the umbrella for the non-governmental organisations that work in development. Those organisations have been very active, yet they have said that the process has been frustrating. Bond described the consultation as "a missed opportunity", adding that

"the Government has not been clear about specific opportunities for consultation with non-government stakeholders".

UKSSD told us that stakeholder engagement has been “limited and selective”.

Mary Creagh: Does my hon. Friend share my concern that the review was not made available in any accessible formats and that the events were often called at very short notice, meaning that disabled people could not attend?

Stephen Twigg: I absolutely share my hon. Friend’s concern, not least when the guiding principle of the goals is to leave no one behind. If we are failing to engage with disabled people and disabled people’s organisations, we are leaving behind a group that has been left behind all too often.

Lloyd Russell-Moyle: At the September high-level political forum, which is the summit, there will be a review of the modalities of the HLPF and the VNR. Does my hon. Friend agree that we could submit this VNR as an example of bad practice—of what not to do and what other Governments should not follow?

Stephen Twigg: Although I might express it slightly differently myself, I do share my hon. Friend’s concern. It is incredibly important that we learn from this experience for future VNRs; I will come to that in a moment. We can indeed teach other countries a lesson in how not to go about such a process. As my hon. Friend knows, this issue has been raised in evidence that our Committee has taken not just from DFID, but from other parts of the Government.

It is wholly unsatisfactory that almost four years since the UK signed up to the goals, there appears to be very limited knowledge of them among Whitehall officials outside the Department for International Development. In evidence to the Environmental Audit Committee, Dr Graham Long set out the kind of criteria needed for a good VNR:

“A rigorous assessment of governance for, and implementation of, this...agenda...A focus on those furthest behind in the UK context...Reporting on participation and inclusion in the review...Reporting on awareness-building efforts...Presence of stakeholder perspectives”.

France has been described as exemplary in the way it conducted its review in 2017. It was comprehensive across all goals at home, internationally and in France’s overseas territory. It was self-critical in several sections, with clear next steps, including the notable pledge to establish a national SDG action plan detailing governance for the SDGs and outlining participation in the preparation of the VNR and its future implementation by key stakeholders. We can learn, as a country, from that example.

When the report is presented, as we understand it will be later this week, we as a Committee would like it to make reference to each goal, target and indicator. I welcome the commitment that the Secretary of State made to that when I intervened on him. This must include data on progress so that we get a fully comprehensive picture of the current situation for the whole of the United Kingdom, alongside a rigorous assessment of where we need to go further. Leaving no one behind is at the heart of the goals. It is crucial that the UK’s assessment focuses on the most marginalised groups here in our own country as well as internationally.

As my hon. Friend and neighbour the Member for Liverpool, Walton set out very powerfully, in cities such as Liverpool we have seen the impact of Government policies on poverty and inequality over the past nine years. We know from the Food and Agriculture Organisation that more than 2 million people in the UK are severely food-insecure. We know from the Office for National Statistics what the statistics are showing us about the challenges around poverty and other forms of inequality.

Canada’s VNR focuses from the beginning on vulnerable and marginalised groups in Canada, with a discrete section on leaving no one behind that outlines the main dimensions of inequality and discrimination, with detailed efforts to address vulnerable groups throughout. That is the kind of example from which we could learn lessons in setting out our VNR due to be published this week. It is crucial that there is a national plan for sustainable development. There must also be some kind of co-ordinating mechanism or body with cross-Government reach. For example, Germany has a lead Ministry, with the federal Chancellery at the heart of it, and an advisory council, while France has put in place a representative backed by its Prime Minister. That is what has been lacking in the UK’s approach from the start, since the adoption of the goals in 2015—there has been the void in leadership that we have heard about.

The Secretary of State spoke very powerfully, but we on the International Development Committee have argued that DFID should not be leading on the domestic implementation of the goals, so nor should it be leading on the VNR. I hope that the Government will look again at that. This should be led from the heart of Government, by the Cabinet Office. Governments commonly announce next steps for global goal implementation in their VNRs, including goal and target-specific measures alongside wider reforms. I urge the Government to use their VNR as a catalyst for more effective implementation of the goals.

I will finish with five points for the Minister to address. First, I urge the Government to put in place the structures and lines of accountability that are needed to ensure that the goals are truly prioritised and embedded across Government. Simply putting them into single departmental plans—which is perhaps not even happening, but even if it were—is not enough. I endorse UKSSD’s recommendation that the VNR

“should include steps towards the creation of a plan or strategy for implementing”

the goals.

Secondly, the Government need to consult widely to come up with a comprehensive and effective implementation plan setting out how we are going to achieve the goals between now and 2030.

Thirdly, stakeholders need to be engaged in a much more meaningful way. It is very concerning that of the other five countries in the western European and others group presenting this year, we are the only one that does not address stakeholder engagement in our set of main messages. That needs to be addressed between now and next month. One way that could be done—I hope that the Minister will refer to this—is to include stakeholders in the UK’s presentation in New York next month at the HLPF. That has been done by other countries, and I hope that we will do it too.

Fourthly, time needs to be used wisely. The Government should produce a detailed, publicly available timeline as soon as the next review is announced. Finally, I hope

[Stephen Twigg]

the Minister will say more about how the Government will bring the VNR back home once it is presented next month, including by communicating the goals across Government and into public consciousness. We have an opportunity to capitalise on the momentum of the VNR to galvanise greater engagement with and progress towards the goals in coming years.

Let us learn lessons from some of the weaknesses in this process over recent months and years, so that we can start a deeper and more serious approach to engagement with the goals between now and 2030. With the challenges in our own country around inequality, poverty and food insecurity that we have heard about today, much more needs to be done if we are to meet the goals by 2030. Germany's 2016 review committed that country to undertake another VNR in 2021. I hope the Government will make a similarly bold commitment that the UK will undertake a further VNR at an early opportunity.

We can still be proud of the role that the UK played in the millennium development goals and the formation of the global goals in 2015. This VNR provides us with an opportunity to build upon that. In particular, if the Government get this right, the presentation next month could be a springboard for a renewed focus on tackling poverty, tackling inequality and tackling the scourge of climate change both at home and abroad. I look forward to hearing from the Minister how that will be done.

4.41 pm

Kerry McCarthy (Bristol East) (Lab): It is always a pleasure to see you in the Chair, Madam Deputy Speaker.

I congratulate my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) on giving such a comprehensive overview of the process and the strategy we need for delivering the sustainable development goals both here and abroad. I want to take the opposite approach and focus on a couple of issues where the SDGs could be used as a tool with which to make progress.

The first is SDG 2, on zero hunger. We have tended to see that as an overseas issue, but, as I argued in my intervention, it is a real and growing problem here in the UK and needs a domestic focus as well. The second is plastic pollution and waste, which touches on a number of the sustainable development goals. In that case, it is almost the opposite—we are now alert to, if not on top of, the problems caused by plastic pollution as it affects the UK, but it is also very much an issue for developing countries and the Department for International Development.

SDG 2 was the subject of an inquiry by the Environmental Audit Committee, and I am glad to see a couple of my colleagues from the Committee here. The goal is to end hunger, achieve food security and improved nutrition and promote sustainable agriculture via five domestic and three international targets. Last year, UKSSD assessed UK performance against the domestic targets and judged that all were either amber, where

“the UK is not performing well enough or performance is deteriorating”,

or red, where

“there is little or no policy in place that adequately addresses the target, performance is poor.”

This is very much a problem in the UK. I recently held a Westminster Hall debate on the children's future food inquiry, which showed that the UK has among the worst food insecurity levels in Europe. Nearly one in five under-15s live in a food-insecure household, half of which are severely food-insecure. We heard some terrible stories about children going to school hungry and their education suffering as a result. As many Members across the House have seen in their constituencies, the surge in demand for emergency food aid can be directly linked to the roll-out of universal credit, with its long waiting times, delays in payment and sanctions. The report found that not only the unemployed, but many people in low-paid and/or insecure work are affected by food poverty

Mary Creagh: I thank my hon. Friend for giving way; she is a valued member of the Environmental Audit Committee, which I have the privilege of chairing. Was she as surprised as I was to discover, during our inquiry, that the UK has the second highest level of severe food insecurity of children under 15, coming second only to Romania in the EU? Does she agree that the roll-out of universal credit, which makes single-parent families up to £50 a week worse off, is a key driver of that food insecurity?

Kerry McCarthy: Yes, I very much agree with my hon. Friend the Chair of the Committee. I would say that since 2010 the Government have absolutely refused to acknowledge that this is a direct result of Government policies. In particular, it is because of the policies of the Department for Work and Pensions that the rise in food bank usage has grown so exponentially. We heard the Chancellor again this week taking a very blasé attitude towards the figures on poverty in this country.

Mary Creagh: Does my hon. Friend not think that there is a poetic irony in the fact that DFID uses the system of cash transfers to give food aid to people abroad, particularly in emergencies, yet it will not make cash transfers to hungry families here at home? It seems to big up the food bank movement—do not get me wrong; it does amazing work—but the most efficient way to feed people is to give them an income so that they may choose how and what they want to feed their own family.

Kerry McCarthy: Exactly. I could not agree more. It is absolutely shocking that so many families in this country are so reliant on food banks and other emergency food provision in this day and age.

As the EAC found when we looked into this issue, no Department has included domestic hunger and food security in its single departmental plan. It has very much fallen through the cracks and, as I have said, it is viewed only as an overseas issue. Whether intentionally or not, the Government are giving the distinct impression that they do not want to acknowledge or to tackle the crisis at hand. It was very telling that when we had I think four Ministers from various Departments in front of us for the inquiry—

Mary Creagh: Five.

Kerry McCarthy: The Chair says there were five Ministers. We asked, “Who is responsible for hunger?” and it was not just that there was no one with designated

responsibility, but the fact that they all looked so blank and just looked at each other. It had clearly never occurred to them that perhaps somebody ought to be looking at this. That was one of the recommendations of the Environmental Audit Committee—that we appoint a Minister with responsibility for hunger and food security.

I do think there is the broader point, which I have returned to many times in this House, that the F in DEFRA stands for “Food” not “Farming”. We have quite a limited view of food policy in this place. We need to be looking not just at how we produce the food, but how the food gets to people, as well as healthy eating, public procurement, food waste and so many other issues, and hunger is very much part of that. We will do that only by making sure that there is someone with ministerial responsibility across the whole piece.

We also need to look at the issues of malnutrition and childhood obesity, which are part and parcel of the same problem. A recent report by Kellogg’s looked at food deserts in the UK and, absolutely shockingly, two estates in south Bristol—very near to my constituency—came in the top five in the country, and another one in my constituency was also singled out. These are places where childhood obesity will quite often still be a problem, but there is also the overconsumption of cheap, fast food, which is high in calories and low in nutrients. We need a definition of under-nutrition that covers both underweight and overweight individuals, and a tool for identifying it, as called for by the Patients Association.

If we are to leave the EU, British food standards must be maintained. We cannot have a rush to the bottom, whether on animal welfare or food safety standards. This obsession with ever-cheaper food is not the way to solve hunger in this country.

Earlier today, I chaired a session of the all-party group on food waste that was looking at the issue of food waste—surprisingly—with the new food waste champion. Sustainable development goal 12.3 is specifically about reducing food waste. In this country, we have signed up to a target of 50% by 2030, and it is reassuring that the Government are committed to taking action on that. However, it was very disappointing that the Committee on Climate Change, in its recent recommendations to the Government, has suggested only trying to reach that goal by 2050. If we are serious about tackling the carbon footprint of food waste—I am very fond of saying that if food waste was a country, it would be the third highest emitter after the USA and China—may I suggest that we ignore the Committee on Climate Change and stick with what we have promised under SDG 12.3 instead?

The second issue I want to speak about is plastic pollution. I pay tribute to Tearfund for its “No Time to Waste” report, which has already been mentioned. That excellent report shows just how far-reaching and serious the impact of plastic pollution is in developing countries. It is also a problem for us because multinational companies and waste exporters from developed countries are largely responsible for producing plastic in the first place. I have not yet caught the Hugh Fearnley-Whittingstall programme from yesterday, but I think it highlighted the fact that we export waste to countries such as Malaysia.

As the Tearfund report mentions, plastic pollution has a direct impact on our efforts to achieve more than half of the sustainable development goals, including those on poverty, hunger and economic growth. It is a

threat to biodiversity, on which the production of nutritious food depends. It pollutes our water. Costs associated with ocean-based consumer plastic pollution amount to \$13 billion every year. That includes revenue losses to fisheries, aquaculture and marine tourism industries, as well as the cost of cleaning it all up.

Plastic pollution is also relevant to the goal on healthy lives and wellbeing. Plastic causes flooding, and flooding causes the spread of waterborne diseases such as malaria, dengue fever, dysentery and cholera. Burning plastic pollutes the air. I will never forget seeing a screening in Parliament of a film called “Trashed”, which was narrated by Jeremy Irons. It shows kids in the Philippines playing on toxic waste dumps, and we could see the steam coming off the dumps. The mothers were indoors, cooking and using the plastic as fuel. Again, that is incredibly toxic.

Between 400,000 and 1 million people die each year in low and middle-income countries because of diseases related to uncollected waste. There is obviously a problem with water and sanitation for people who live among uncollected waste.

Goal 11, the sustainable cities goal, is also relevant. Globally, 2 billion people lack waste collection, and a further 1 billion people lack safe disposal of waste, let alone recycling facilities, but at the moment only 0.3% of overseas development aid is spent on waste management. I know that the Government are trying to support waste management in developing countries. There tends to be a focus on health and education but not on basic public services. Waste collection in developing countries is crucial if we are to achieve a number of the goals.

Let us consider small island developing states. For example, in the Maldives, one of the islands is effectively designated as the rubbish dump because there is nowhere on the other islands to put the rubbish. The Seychelles are on their second landfill site. There are only three inhabited islands and the main island is pretty much built on a hill and there is little land there. The second landfill site was meant to last 10 years, but it will be full up in six. Where do they send the waste? Tourists who come in on the cruise ships mostly create the waste in the first place. We therefore need to consider how we support other countries to have a waste collection system.

Goal 12 is on sustainable consumption and production. As a Parliament, we should focus more on that. Global plastic production is completely unsustainable and plastics use is growing fastest in countries where there is no prospect of safe disposal. Plastic packaging accounts for nearly half of all plastic waste globally. Of course, that contributes to climate change. Global plastic production emits 400 million tonnes of greenhouse gases each year—more than the UK’s total carbon footprint.

Tearfund highlighted two examples of how the problem is growing in developing countries: what it dubs the “sachet economy”—single portion plastic sachets, which are easier and cheaper to produce and transport than bottles, but are currently non-recyclable, and plastic PET—polyethylene terephthalate. In 2017, global consumption reached 471 billion bottles, which, if they were put in a line, would reach from Earth to Mars.

Goal 14 is about life below water and goal 15 is on life on land. An estimated 8 to 12 million tonnes of plastic enter the oceans every year. That also pollutes our soil and fresh water. As the Tearfund report concludes, we will not meet the sustainable development goals without

[Kerry McCarthy]

tackling the plastic pollution crisis. We have a time-critical decision to make. We can choose to ignore the evidence and carry on with our linear business model, churning out more and more plastic because it is cheap and convenient. We can continue to fail to invest in circular models and sustainable waste management systems, and ignore the devastation being wreaked across the planet. If we choose this path, and plastic production is allowed to continue to increase in line with predicted growth, it will completely overwhelm even the waste management systems of high-income countries. Communities will continue to be engulfed by mountains of plastic waste, our oceans will continue to fill up with plastic, and people and animals will continue to suffer. Or the global community can act while there is still time. I do not know whether the Minister has had the chance to read the Tearfund report yet, but I hope she does and that she elevates this issue to the position of importance it deserves on her Department's agenda.

4.55 pm

Patrick Grady (Glasgow North) (SNP): It is a pleasure to be able to catch your eye in this debate, Mr Deputy Speaker, to make a very brief contribution. I was keen to speak, because in 2015, as a newly elected Member of Parliament, the first debate I secured in Westminster Hall was on the sustainable development goals. The Chair of the International Development Committee, the hon. Member for Liverpool, West Derby (Stephen Twigg), remembers it well. It has been interesting to see how progress has been made over the years. I think that I said at the time, and I am happy to say it again today, that we welcome the role played and the leadership shown by the UK Government at that time in driving forward the successor framework to the millennium development goals. There was real leadership from David Cameron and the coalition Government. That Government, of course, also enshrined the 0.7% target into law. It is just disappointing that all the momentum seemed to evaporate as soon as the ink was dry on the agreement, as though that was the work done. That should have been, and still has to have been, the starting point. That has to be the momentum that takes us forward and keeps us making progress.

Lloyd Russell-Moyle: Does the hon. Gentleman agree that it is not just a starting point? There was meant to be a 10-year programme for action on the sustainable consumption and production patterns from 2002 onwards. We have had the millennium development goals from 2000 onwards. This should not be a standing start, but a running start where we are already delivering. That is the great shame about where we are. It feels as though we have done a standing start and that we have meandered around a third of the way through.

Patrick Grady: I absolutely agree. There was a lot of talk about what lessons we could learn from the millennium development goals framework. First, it had to be a continuous, ongoing learning iterative process. It cannot just be about trying to reinvent the wheel every single time. We probably have the most thoughtful ministerial team in DFID since I have been here, but I am just not convinced how long they will last and whether they will have the opportunity to drive the process forward. I will perhaps say a bit more about that before the end.

At the time the sustainable development goals were being developed, we repeatedly made the point that, unlike the MDGs, they would be truly global. We had to have a truly global system for how to tackle the challenges affecting every country in the world, including our own. Not everything in our garden is rosy, as every single speaker, including the Minister, has said. That is the importance of the framework: to hold us to account. We report so we can show where progress is being made and where the gaps still lie. Poverty is unacceptable wherever it is found and we all have to be held to account. If we are genuine about trying to show leadership in this part of the world, it is not just about helping other countries to meet those goals but ensuring we are making every effort to meet them all ourselves and, in terms of accountability, being willing and able to report on them.

On the Scottish Government, Nicola Sturgeon was one of the first Government leaders anywhere in the world to say that her Government would commit fully to the SDGs and play their part in implementing them both at home and abroad. Since the SNP became the Scottish Government in 2007, all their work has been measured against a national performance framework. Since the SDGs have come into force, that framework has been revised so that it is aligned with all the different aspects of the sustainable development goals and that they are reflected in the indicators and the outcomes of that framework. The Scottish Government are showing leadership, and I encourage UK Ministers to look at the framework and the difference it might make across the whole of Government policy.

As other Members have said, the biggest challenge at home and abroad to meeting the sustainable development goals is climate change. Indeed, the changing climate threatens to reverse the progress that has been made over the period of the millennium development goals. I welcome the focus that the new Secretary of State is bringing to the importance of climate change, but tackling climate change and achieving climate justice needs to go beyond, and be additional to, the work that is being done. It is not simply about repurposing some of DFID's funds and priorities to tackle climate change instead of other things. It has to be both/and; otherwise, we will not make the progress that we need.

That is why I give the example, as did my hon. Friend the Member for Dundee West (Chris Law), of the Scottish Government's climate justice fund, which is additional to the Scottish Government's international development fund and is deliberately not handled by the International Development Minister, or at least that was the case when it was set up. It was looked at from a holistic perspective to help people in developing countries to adapt to and mitigate the effects of climate change, because, as others have said, the concept of climate justice recognises that those who are worst affected are often those who are being hit first and hardest but who have done the least to cause the changing climate that we are all experiencing.

The other aspect that is very important is tackling governance and making sure that civil society and national Government frameworks are as strong as they can be. In saying this, I declare a couple of interests: I am the SNP Member on the board of the Westminster Foundation for Democracy and I am chair of the all-party group on Malawi. Malawi has just gone through pretty successful, very peaceful elections, but they have demonstrated some of the challenges that come with governance in

developing democracies. More women have now been elected to the Malawian Parliament, which is fantastic, but as I said to the Secretary of State in DFID questions last week, some of the very capable incumbents found themselves losing their seats. That is democracy—we all put ourselves forward in elections and we have to go into them with open eyes and expect that we may not be re-elected—but there is a tendency throughout developing democracies for one-term elections. People seem to find that once they have been elected, they have real difficulty getting re-elected. We perhaps have to look at some of the structures and causes behind the scenes, when individual candidates seem to get targeted because they are not pliable or are not signing up with the overall majority. The civil society links that help to strengthen that are hugely important as well, so I pay tribute, as the Secretary of State has done, to the work of the Scotland Malawi Partnership.

The civil society grassroots links in Scotland are hugely important. Many of the projects there that have partner and twin organisations in Malawi are just as dedicated to tackling poverty at home in Scotland. Many are church or faith-based groups and they work with poor people in their communities, as well as trying to support people living in poverty in Malawi. When DFID is looking at its options, I hope that it can find different ways to support networks such as the Scotland Malawi Partnership.

Finally, underpinning all that is the 0.7% target, which was calculated at a time when if all the developed countries reached that target, there would be enough money to reach the goals. I do not know when anyone last tried to do that kind of calculation to figure out whether that is still the case, but if everybody did meet the 0.7%, that would leverage far more resources than are currently available for development. It is hugely commendable that there is a cross-party, cross-society consensus in support of that target.

Lloyd Russell-Moyle: Is the hon. Gentleman therefore concerned, as I am, that a number of the prospective Conservative Prime Ministers are talking about slashing it and that the lead candidate is even talking about abolishing the whole Department for International Development? We must say no to that and that we will not let that happen.

Patrick Grady: The hon. Gentleman could have been reading the notes that I have in front of me. He is absolutely right. That might play well to certain parts of their gallery, but it will not play well in the country as a whole. Conservative Members should remember that just before the launch of the very ill-fated Tory manifesto of 2017, there were rumours that the 0.7% would disappear, but that was objected to by civil society, by all the different parties and by their party in Scotland, because there is some semblance of a recognition of that commitment's importance. That is the message that needs to go from this debate. Toying with the target and with DFID being a stand-alone Department may play well with certain Conservative Back Benchers, but it will not play well in the country as a whole. The Conservative party will mess with that at its peril.

5.4 pm

Preet Kaur Gill (Birmingham, Edgbaston) (Lab/Co-op): I am delighted to join the debate and thank all Members who contributed. The hon. Member for Dundee West

(Chris Law) made the excellent point that the SDGs should be a comprehensive blueprint for all Departments. He raised the UN special rapporteur's report on poverty in the UK and stated that the Government are in denial of the facts. He quoted Richard Curtis, who I commend for his work in raising the profile of the SDGs, and gave a clear message that whoever becomes Prime Minister needs to give proper leadership to the SDGs across the Government.

My hon. Friend the Member for Liverpool, West Derby (Stephen Twigg), who is the Chair of the International Development Committee, must be commended for the work he has done, particularly on the SDGs. He made an excellent speech in which he spoke of the evidence his Committee has taken, rightly raising a lack of understanding of the SDGs across Whitehall. He made many important points, particularly on how the Government will bring the VNR back home, especially into the public consciousness.

My hon. Friend the Member for Bristol East (Kerry McCarthy) focused on a number of SDGs. She cited the work of Tearfund on plastic pollution and the impact it will have on achieving the SDGs. She made the important point that we spend only 0.93% of ODA on waste management in developing countries, which is really a public health concern.

The hon. Member for Glasgow North (Patrick Grady) spoke of the work the Scottish Government are doing on SDGs. He cited Scotland's partnership work with Malawi, evidencing how civil society can be engaged in delivering the SDGs.

Since I joined the shadow DFID team, I have championed the SDGs at every opportunity. Last year, I went to New York as part of Global Goals Week, and I look forward to returning to New York this year to attend the high-level meetings where the UK's voluntary national review will be presented. Given that engagement, I was pleased to hear the Leader of the House announce last week that we would have a specific debate on the voluntary national review process. Needless to say, I was somewhat perplexed to see the scope of the debate changed in the Order Paper to remove any reference to the review. It is vital that we take it seriously. We must honour the SDG agenda that we signed up to as a country, and that means applying all 17 goals to both our international and domestic work and being honest about where we can improve.

Let me echo what has already been said in this debate regarding the need for a whole Government approach to achieve the SDGs. On a global level, that means we must have policy coherence so that the actions of one Department do not undermine the work of others. In the UK, local government and local councils matter. We cannot deliver the SDGs domestically without them.

Lloyd Russell-Moyle: Does my hon. Friend agree that, just like in 1992 when after the Earth summit every local council produced a local agenda 21, the Government should be mandating local councils to produce and fulfil local SDGs? I think that councils would be willing to take that opportunity if the call went out from the heart of Government.

Preet Kaur Gill: I thank my hon. Friend for that important contribution, which I fully endorse. I hope that the Government will take that on board.

[Preet Kaur Gill]

As I was saying, local government and local councils matter. That is why last year I worked with Birmingham City Council, my local council, to approve a motion on the sustainable development goals, with cross-party support. It was the first council to agree formally to play its part to achieve those important goals. I hope that other councils across the country will follow Birmingham's lead and adopt their own motions, and I hope the Minister will join me in encouraging Members from across the House to support similar motions in their constituencies.

Will the Minister also agree to speak to colleagues in the Ministry of Housing, Communities and Local Government to ensure that councils and communities across the UK are playing their part? I am concerned about the leadership role that DFID appears to be playing in a programme that should be both global and domestic. DFID is specifically tasked with addressing poverty overseas. Its limited resources should not be diverted to tackling issues in the UK that are the specific responsibility of other Departments.

Those concerns were recently raised by the International Development Committee, which said:

"Cross-government engagement with the SDGs—up to this point—has been woefully insufficient. Outside of DFID there is still very limited knowledge of the Goals amongst Whitehall officials."

The Committee went on to say that it was

"not convinced that DFID should be leading on the coordination of the VNR".

I agree with its comments. I should like the entire Government to take the SDGs far more seriously. According to analysis by Saferworld, only three of 76 conflict, stability and security fund programme summaries refer publicly to the 2030 agenda and SDGs as guidance for context analysis or programme direction.

Will the Minister update the House on whether the proposed departmental champions have now all been appointed? Will she clarify what their role will be and what meaningful reporting process they will follow to ensure that the UK does deliver on these important goals? Will she—this is a related question—give concrete assurances that the voluntary national review of the UK's progress towards achieving the goals domestically will not take any time or resources away from the Department's international work to eradicate extreme poverty overseas?

I have heard concerns from a number of NGOs and civil society groups that feel that their involvement in the review process has been chaotic, disorganised and last minute. Given that the original deadline for the report's submission to the UN is this Friday—a deadline that was confirmed in response to one of my recent written questions—civil society groups will be rightly alarmed that they will not have had a proper chance to feed back on the VNR before it is submitted. What are the Government doing to ensure that there is meaningful engagement with those groups? Will the Minister clarify how the input sought from the recent consultations will feed into the final review, and will she give a commitment to seek Government time for a debate following the submission of the VNR, so that we can discuss the content in greater detail?

We cannot afford to fail to meet the SDG targets. The challenges that we face are vast. Across the world, one in nine people still goes hungry, one in five children lives

in conflict, 40 million people are displaced from their homes, and the world is facing an ecological breakdown. The world may be at its wealthiest overall, but inequality is at its highest: 26 people now own the same wealth as 50% of all humanity—3.8 billion people.

That is symptomatic of a global economy that is rigged in favour of the few at the expense of the many and a system that accumulates private wealth and power in the hands of a few individuals at the expense of public goods.

As we heard from my hon. Friend the Member for Liverpool, Walton (Dan Carden), the picture in the UK is bleak as well. More and more children live in poor households, and according to the Institute for Fiscal Studies, an unacceptable 7% rise in child poverty is likely between 2015 and 2022.

It is right that we have had time today to debate the UK's own performance against the sustainable development goals and the voluntary national review. I trust that we will respect the truly universal nature of the SDGs, so that we see a far greater focus on how we achieve them both globally and here in the UK, as that will give us a global blueprint for dignity, peace and prosperity for people and the planet, now and in the future.

5.13 pm

The Minister for Africa (Harriett Baldwin): This has been a short but perfectly formed debate. We have touched the surface of a range of issues relating to the overarching framework that the whole world has signed up to for our journey towards 2030 as a global population. Today's debate has been a milestone on that journey, enabling us to talk about not only the UK's voluntary national review, but the journey on which the rest of the world is embarked. I am proud to stand at the Dispatch Box having been in the Government at the time when we enshrined our contribution of 0.7% of gross national income in statute. We are the first and only country in the world to have done that. Members on both sides of the House have expressed support today for the continuation of that approach; they can count on me to continue to support it, as, indeed, the Secretary of State made clear earlier.

This is the first time that we have carried out a voluntary national review. There are, of course, 17 goals. I do not know about the rest of the House, but I personally find that 17 is not exactly a catchy number to work with. I noticed that some Members worked that down to five Ps and others to fewer themes, but I find that 17 is a bit unmanageable. Within those 17 goals there are 169 targets and within that 244 separate indicators. Having worked in the private sector for many years before entering politics, I am a strong believer that it is important to measure these things, because what gets measured gets managed. Interestingly, as a result of this first voluntary national review we found that our independent ONS does not measure absolutely every one of those indicators; in fact only about 72% of those global indicators are already on our national reporting platform. That is the first thing we have learned, along with the importance of data around that. We have therefore decided to add to the data we commission.

We have had an excellent and wide-ranging debate with a range of contributions from the Opposition Benches, including by the hon. Members for Liverpool, Walton (Dan Carden) and for Birmingham, Edgbaston (Preet Kaur Gill), and the hon. Members for Dundee West

(Chris Law) and for Glasgow North (Patrick Grady)—the voices from Scotland, where of course the process has been done by the devolved Administration of the independent Scottish Government—as well as the hon. Members for Liverpool, West Derby (Stephen Twigg) and for Bristol East (Kerry McCarthy). We heard a number of times about food insecurity. As a result of the voluntary national review and the discovery that we had statistics for only 72% of the measures, we have commissioned a new data series for the UK, with a measure that will take place in the household surveys around food insecurity. I hope that the whole House will welcome the fact that what gets measured gets managed, as I said earlier, and that we will have a measure for that for the first time.

A number of points were made in the debate about the consultation process. This has been an ongoing process since the UK played such a pivotal part in developing the goals in the first place. In the run-up to the voluntary national review we have engaged with 350 organisations, we have had 200 different case studies shared with us, we have had 35 different engagement events—this is of course within England—and we have had the opportunity to talk to some of the Select Committees about this process. I welcome engagement from all the groups, and am particularly keen to hear from a wider range of groups as we go into the process of publication this week.

Stephen Twigg: The Minister says there will be publication this week: is she able to confirm that we will publish as we submit to the UN so that it will be publicly available including to parliamentarians simultaneously with its submission?

Harriett Baldwin: We have published this week the main messages from the UK voluntary national review. Obviously we will save for the high-level forum some of the details of the report itself, but my understanding is that publication is imminent. I am not able to specify precisely on which day it is coming out, because I am not sure whether that has been decided; as the hon. Gentleman knows, beings way above my pay grade decide such things.

Lloyd Russell-Moyle: In the Committee I asked—as the Chairman of the Committee my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) asked again today in the Chamber—about the inclusion of civil society in the delegation and presentation at the high-level political forum. I was given reassurances that discussions were happening on the youth side with the British Youth Council. The Secretary-General produced the youth and SDGs report this year, which will also be presented at the HLPE, and it is important to include young people. Can the Minister confirm that young people and other sectors of civil society will be included in the delegation? If not, will we take urgent action to get our young UK ambassadors—a system I know the BYC runs very effectively—engaged in the process so that they are able to be interlocutors with the Minister and go together?

Harriett Baldwin: The hon. Gentleman makes a powerful case. Baroness Sugg will be leading the UK delegation, and I know that she will be thinking about the make-up of the delegation. I note the compelling case he has made for a wide representation of civil society on it.

I want to mention some of the statistics that relate to this country. I have mentioned some of the gaps, but in terms of things that we measure, I am sure everyone in the House will welcome the overwhelmingly strong employment growth in the UK. Yet again today, we have seen how strong the job market is, and we have also seen that employment incomes are growing. In fact, the average income in this country is now £507 a week. That is the median income against which the poverty line—60% of the median income—is measured. I am sure the House will also welcome the fact that there has been a disproportionately large increase in employment growth for the poorest 20% of households. These are an important part of the goals. We have seen a seven-point growth in the income of the poorest households. The percentage of people in this country in absolute low income is at an all-time low, and the percentage of children who are in absolute low income after housing costs remains at a historic low. However, hon. Members have pointed out—and we agree—that it is important to note that the goals call for zero poverty and zero hunger, and it will be valuable to see in the voluntary national review where there is still work left to do.

I particularly value the points made about people with disabilities. We have tried to show real leadership internationally on this, but we have also worked hard here domestically to increase the number of people with disabilities in work. There are 700,000 more people with disabilities in work since 2015. There is a lot we can learn from other countries, and the fact that this is happening in an international context with hundreds of other countries representing their insights will enable us to compare and contrast across the world, as the Chairman of the International Development Committee has said.

I fully acknowledge the importance of the world dealing with plastic waste, and the hon. Member for Bristol East will know how much work we have put into some of the pilot programmes internationally. We recognise the importance of the work that is done by a range of organisations including Tearfund, which we work with in Pakistan on waste management, and the importance of our learning from the great examples—the leadership, indeed—in other countries that have been quicker than we have to ban certain types of plastic that are difficult to get out of the food chain.

In summary, as I wait for the speaker who is going to respond to the Adjournment debate, I just want to highlight the fact that this is a journey that we are on as a world. The process of doing a voluntary national review has brought home the importance of measuring these things and the fact that, even with a very well developed and independent Office for National Statistics, we still have some room to improve on our measures. We can all learn from each other as a world, and I look forward to seeing a strong UK delegation at the high-level working group. I value all the inputs from our colleagues across the House in today's important debate, and we look forward to working with the various Committees of the House as we continue to make progress towards the sustainable development goals for 2030.

Question put and agreed to.

Resolved,

That this House has considered the Sustainable Development Goals.

Crime and Antisocial Behaviour: Slade Road, Birmingham

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

5.24 pm

Jack Dromey (Birmingham, Erdington) (Lab): Built in Victorian times, the Frances Road, Mere Road, Kings Road and Victoria Road areas of Stockland Green are over 100 years old. Historically, they were a haven of peace and tranquillity and a strong community—no longer. Twelve months ago, seven residents asked me to meet them in Frances Road. I arrived and 70 were there, and it all poured out. A woman said, “Our great-great-grandparents bought the house, and successive generations have lived in it ever since. Now we fear to walk the streets.” There was a daughter and her mum, and the daughter said, “If ever I want to go down to Slade Road to get a bus, I ask my mum to come with me. I am afraid.” One man who had lived there for 32 years said that gangs, as he called them, who were drugged and drunk had tried to break into his house at 3 o’clock in the morning only the previous week.

The area is still a great community, but it is wracked with crime. The increase is not exclusively due to the rise in the private rented sector, but at the heart of it is a rise to 53% of local homes now being in the private rented sector and rapid growth in the numbers of houses in multiple occupancy and unscrupulous landlords. Registered social landlords are importing vulnerable people into Stockland Green from all over the country, offering supported housing but without the necessary support.

Senior police officers put it well in a recent discussion, saying that they had seen a disproportionate number of vulnerable people and ex-offenders imported into the Slade Road community from all over the country. They also said that rogue landlords often offer a room for £80 and make a lot of money—if they were providing the necessary support, it would cost three times that, but public agencies want to go for the cheapest possible outcome. They said that there are rogues in what sometimes seems like an unregulated marketplace, and that it is harder to get a decent student HMO than to prevent victims of domestic violence from ending up alongside ex-offenders. I do not want to send the wrong message—of course it is right that we accommodate the vulnerable and those on probation having come out of prison, but there has been a disproportionate dumping in Stockland Green without the necessary support to help either group rebuild their lives.

The statistics for rising crime in Stockland Green are stark. Between May 2018 and April 2019, there were 1,179 violent and sexual offences, 480 examples of antisocial behaviour, 380 burglaries, 326 cases of criminal damage and arson, and 277 vehicle crimes, including cars being set on fire. Not all of Stockland Green can be painted with the same brush, but there are hotspots, particularly the Frances Road, Mere Road, Kings Road and Victoria Road areas and the shops further down the hill at the bottom end of the Slade Road.

We now see open drug dealing in the area, and the vulnerable are fearful of walking the streets. I spoke to local residents only last Friday, and Michael said, “My two daughters used to love going to Brookvale Park. We no longer let them out because they just do not feel safe.” His neighbour opposite said, “I have lived

here for 29 years. Every morning I come out and see open drug dealing in the street.” I have seen with my own eyes both those who are peddling drugs and clearly mentally ill people on the streets without supervision. I discovered one particular case of an individual who should never have been out other than under supervision, but nevertheless they were free to walk around.

I also see powerful testimony in my own casework. Every week we get an approach from the Slade Road area. For example, a resident on Frances Road wrote to me to say that they have had to put their property on sale because of drugs, people banging on doors at midnight, and the fact that her children do not feel safe to go out of the house. She said, “This started in June 2016, when houses in multiple occupancy sprung up on the street. A lady climbed out of a window and was knocking on the front door at 3 o’clock on the morning. I reported the incident, but the police said they cannot do anything. They sent a PCSO to deal with the issue. Nothing was resolved.” She now cannot even sell the property, because at viewing times next-door residents are smoking drugs at the front door and the smell comes straight into her house.

A second constituent wrote, “There are now many halfway houses on my road. We are really concerned about the drug deals that go on in at least three of the houses. They happen in broad daylight, and we see a lot of drug users coming into the street to buy from drug barons actually living in the street.” She said that residents are intimidated by some of them, and “I have been sitting in my car and watching deals take place as staff are leaving at the same time. They did not bat an eyelid. Most of the old neighbours want to move out now. Another neighbour and I cleaned piles of rubbish from our street recently, as most residents pay no attention if it is spilling into the street, particularly from the HMOs and the rapid growth in the private rented sector. Mice are common in our house now.”

A third resident said, “In my street, and in the street opposite, we had two cars in a matter of weeks set on fire.”

If we go down the hill to the shops in Slade Road, which is the heartland of the Kashmiri community in Stockland Green, we see a similar pattern of open drug dealing and various offences. For instance, one mentally ill man, released without supervision into a second-class HMO in the Slade Road area, came down the hill and assaulted five people, including a grandfather who was seriously hurt, until the police arrived—actually, one of the police officers was assaulted, too.

I pay tribute to our local councillors, particularly Josh Jones and Penny Holbrook, for the work they have done. I also pay tribute to our local police officers Sergeant Jim Reid, Helena and Wayne for the work they do. But as the thin blue line is drawn ever thinner with the loss of 2,100 police officers in the west midlands, their problem in dealing with rapidly rising crime and antisocial behaviour becomes ever more acute. Last week, one resident showed me statistics from the neighbourhood watch arrangements we have now set up, and 83% of crimes recorded in the Slade Road and Stockland Green area do not lead to a conviction or resolution.

I also pay tribute to those in the local authority: Matt Smith, who works on enforcement in the private rented sector; Rob James, the housing director; and Sharon Thompson, the cabinet member. They have taken welcome

action, including a series of prosecutions in recent months at 170 South Road, 118 South Road, 11 The Drive, 472 Slade Road and 30 Hunton Road, with more to follow.

Just as the police have suffered the biggest cuts to any police service in the whole of Europe, which is having an impact on our community, the local authority is reeling from the biggest cuts in local government history of £690 million. Those responsible for tackling these problems are doing their very best—I stress that once again—but their numbers have been cut by three quarters.

Both the police and the council can and should do more. Indeed, I want to see the local authority move down the path of selective licensing schemes to tackle the undoubted problems in the Slade Road area, and in other areas of Birmingham. When I worked with the then mayor of Newham, I remember seeing at first hand the borough's imaginative work on a selective licensing scheme and the enormous progress that was made as a consequence in tackling bad landlords. So the police and the council can do more, but the Government must accept that they cannot work miracles. If there is a hopelessly overstretched police service and a badly under-resourced local authority, of course it impacts on their ability to do their job.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate my hon. Friend on securing this debate. We have raised with the Government on a number of occasions the issue of police numbers and resources. The Government think it is a big deal that they have said, “We will put just under £1 billion into the police service.” At the end of the day, that is not sufficient, because when we look at the police numbers, we see that things have actually got worse. We have three areas of Coventry—parts of Tile Hill, parts of Willenhall and parts of Hillfields—where, although the police do their best, they are under-resourced and we experience some of the problems that my hon. Friend has experienced in relation to bad landlords. They are in the voluntary sector as well, with organisations such as Orbit not carrying out repairs in those areas. That creates a situation that affects people's health. So I totally support my hon. Friend, because in Coventry, where we have experienced the same thing, the police are doing their best but they are basically firefighting in a difficult situation.

Jack Dromey: My hon. Friend is exactly right. The irony is that, in the heat of a Conservative party leadership election, suddenly commitments are being made to reverse police cuts, including on the part of the current Home Secretary, who has presided over those cuts. The simple reality is that 21,000 posts have gone nationally and 2,100 in the West Midlands. The police are doing their very best; they do not always get it right, but they cannot work miracles with the badly depleted resources that have affected our police service.

Preet Kaur Gill (Birmingham, Edgbaston) (Lab/Co-op): I congratulate my hon. Friend on obtaining this debate. Benmore Avenue in my constituency has recently seen reports of open drug dealing and antisocial behaviour. Although no arrests have been made, the police are being forced to make difficult decisions about what to prioritise. Will my hon. Friend join me in thanking the police for their hard work in keeping our communities safe, and does he agree that forcing such choices on a police force is unacceptable?

Jack Dromey: My hon. Friend puts it exceptionally well. I stress again: the police do not always get it right, but they are good men and women, often doing remarkable things in the most difficult of circumstances. If two or more police officers are gathered together and we are talking to them as MPs, they pour their heart out about the mounting problems that face them, because they do not want to be in the position that they are in, where time and again they feel the brunt of public anger. They want to serve the public, but when there are huge reductions in police numbers, the simple reality is they just cannot do it in the way that we did under a Labour Government. We built, dare I say it, neighbourhood policing—17,000 extra police officers, 16,000 police community support officers. Crime came down by 43%. Now that has all been slammed into reverse.

Richard Burden (Birmingham, Northfield) (Lab): I think all of us will recognise the picture that my hon. Friend is painting. The details may be different from area to area, but the overall picture is very recognisable. I put it to him that the problem with the overstretch is affecting the police and other services. It is not simply a matter of numbers; it is the fact that the overstretch is preventing them from intervening early, when it is most necessary. It is interrupting the neighbourhood policing that, if successful, heads off problems before they arrive. The mental health services can work effectively only if they intervene early, but the numbers are not there for them to do that. If nothing else, the Government need to address that point, because by restoring some of the budgets they have cut, they will enable those services to intervene in the way they need to—it has to be early intervention.

Jack Dromey: My hon. Friend is absolutely right, because it is about support for the vulnerable on the one hand, but early intervention and prevention on the other hand.

For neighbourhood policing at its best, may I give an unusual example from the Stockland Green area? Six years ago, Sergeant Simon Hensley, now the sergeant in Kingstanding, formed a canoeing club on Brookvale Park Lake. I know, because I was asked to launch it on a rather shaky canoe. Some people asked, “What's canoeing got to do with the police service?” But he had linked up with the local youth service and some of the local voluntary organisations. It involved at one stage hundreds of local young people, helped to form a good relationship between them and the police, and then, when there was an outbreak of burglaries, young people were coming forward, saying, “We think we know who it is, Simon.” So prevention is critical.

We are doing everything we can in Birmingham, but the Government have a responsibility. The police and crime commissioner for Birmingham will visit Slade Road this Friday to see at first hand what can and should be done next. Resource is key, but resource alone is not enough: we need all agencies with responsibility to come together and act. So, together with the police, the police and crime commissioner and the local authority, I will be convening a summit, at which we want to bring around the table the national health service, the mental health trust, the probation service, the Prison Service and the social housing regulator, which, to be frank, has a lot to answer for in respect of how the powers under the Housing and Regeneration Act 2008 have been used

[Jack Dromey]

to register and deregister bad landlords. It is going to be key to bring them together to get a concerted action plan to make a real difference in Slade Road.

Let me say a couple of things in conclusion. I have referred in particular to the rapid growth in the private rented sector and the problems associated with that in the Slade Road area, but I do not want to demonise all landlords. On the contrary, I want to celebrate the good, because there are many good landlords in the area who feel as strongly as we do about the bad ones. The good landlords include Jackie, who I was with only last week, and also the legendary Birmingham City striker Geoff Horsfield, who owns a number of homes in the Stockland Green area and particularly in Slade Road. If one goes to one of Geoff's houses, one sees a house in good repair with proper support for vulnerable people, helping them to rebuild their lives. He is the opposite of the bad landlords in the picture I have painted.

As far as the bad landlords are concerned, let me serve this notice: I have referred to certain addresses, but it is my intention, in the next stages, to name and shame the bad, as well as to celebrate the good. We are not going to have people who have bought lucrative homes exploiting the vulnerable miles away, then dumping them, without support, in areas of our constituencies such as the Stockland Green area of Slade Road. Some of those landlords will end up in the dock and, if I have anything to do with it, out of business.

Quite frankly, the great community of Slade Road, whether it is the upper end—the Frances Road area—or down the shops at the bottom, has had enough. On the streets or at a surgery, one sees the pain on people's faces for the place where they grew up in the houses they loved—that great-great-great-granddaughter telling the story about her own home that she and her family had been proud to live in for in excess of 100 years—and it is a pain that is absolutely heartfelt. It is totally unacceptable that that fine community is suffering in the way it is. That has to end, but for that to happen not only the Government but all parties need to play their part in erasing a stain on the history of a great community.

5.43 pm

The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins): I congratulate the hon. Member for Birmingham, Erdington (Jack Dromey) and thank him for securing this important debate. His constituents can rest assured that their concerns, worries and experiences have been represented eloquently by their Member of Parliament.

We all know from our own constituencies the significant impact that antisocial behaviour and crime more generally can have on people, families and neighbourhoods. What is often so depressing about this antisocial behaviour is that it is carried out by a very small group of people, and they have such a huge impact on a neighbourhood, on a street or, indeed, on Slade Road.

It is that tiny, tiny group of people nationally—a minority of people—whom we have tried to target through the Anti-social Behaviour, Crime and Policing Act 2014, which I will come on to in a little detail in a moment. We are very conscious of the social impact that such behaviour can have. We recognise that there are countless ways of behaving antisocially, and, indeed,

the hon. Gentleman has today set out just a few such examples. That is why, in the 2014 Act, we simplified the powers that were in law at the time and introduced six new powers to replace the previous 19 powers. The powers are flexible and are designed to enable local areas to respond quickly to stop the behaviour and prevent it from reoccurring.

We were conscious of the fact that law enforcement is not always the answer. Action by local authorities or local agencies may well be much more effective in targeting a particular group of people or a particular type of behaviour. The powers that came into force in 2015 comprise community protection notices, civil injunctions, criminal behaviour orders, which can be issued by a court in the event of a conviction, public spaces protection orders, a dispersal power and a closure power.

Jim Shannon (Strangford) (DUP): I apologise that I could not be here for the beginning of the Adjournment debate, but I am very aware of what the hon. Member for Birmingham, Erdington (Jack Dromey) said as I was watching the debate on the screen at the meeting I was attending. There are serious problems on Slade Road, but there are also serious problems in other places across the whole of the United Kingdom of Great Britain and Northern Ireland. My constituency had one of the highest figures for antisocial behaviour. We did a number of things to change that. When the Minister refers to those means of change, I wonder whether she will include local authorities. The antisocial behaviour team at the council specifically tasked officers to do that job, and it worked with the Police Service in Northern Ireland. Church groups and street pastors also got together. Community groups do things with young people as well to take them off the streets and give them something to do. It is also to do with parents. There are five or six things that can be done together, but they can make the change. We did it in Newtownards in Strangford, so it can happen elsewhere.

Mr Deputy Speaker (Sir Lindsay Hoyle): I presume that that is to help the people of Slade Road.

Jim Shannon: Absolutely.

Victoria Atkins: It is always a pleasure to welcome the hon. Gentleman's thoughts into a debate and, indeed, we have discussed antisocial behaviour on a number of occasions recently. As I have always been very keen to point out, if a local area finds a way that works for it, then, of course, that is to be supported. Let me just mention the 2014 Act here. I am sure that the hon. Member for Birmingham, Erdington knows this, but I keep trying to address it when I am in the Chamber, just because the more awareness our constituents have of it, the more—hopefully—they will use the power if they are able to do so. The Act introduced a community trigger and a community remedy, which means that victims of persistent antisocial behaviour can demand a formal case review where a locally defined threshold is met. In the case of a remedy, victims of low-level crime and antisocial behaviour have a say in the punishment of perpetrators who receive an out-of-court punishment.

Jack Dromey: The hon. Lady is absolutely right to say that there is a number of welcome remedies in the 2014 Act. For certain, some of those are already being

used, but we want them to be used to the maximum extent possible in the Slade Road area. Does she not accept that, while first and foremost we get on with the job of doing precisely that, it becomes much more difficult to do so on the scale necessary and as effectively as this serious situation demands if we have an acute resource problem—be it with the police or the local authority.

Victoria Atkins: The hon. Gentleman will know that we rightly debated the reasons for the very difficult decisions that had to be made in 2010, but, as the Prime Minister herself has said, we are now managing the economy so that we can begin to invest more in the services that are so vital in all our constituencies. Indeed, the hon. Gentleman will be pleased that this year we have managed to put forward a settlement that will increase police funding by more than £1 billion in the year 2019-20—with the help of police and crime commissioners, as I am always happy to say—including through the additional £100 million serious violence fund that was recently announced in the spring statement. I will return to that in a moment. I am pleased that the police and crime commissioner has committed to increasing officer numbers by 200 over the next two years, taking full advantage of the police funding settlement that was passed just a few months ago.

The Home Office chairs a national board on antisocial behaviour, which brings together representatives from key agencies to share information and reflect best practice. I hope that that will help individual forces to ensure that they try everything they can to address the ever-changing problems of antisocial behaviour, of which the hon. Gentleman has given some examples.

The hon. Gentleman mentioned houses in multiple occupation, and he did so responsibly in that he made it clear that he was not talking about the whole private rented sector. We have listened to concerns in local communities and the housing sector, and know that a positive and vibrant local private rented sector can be a great thing for a local community. Licensing has been effective in driving improvements in the quality and management of larger houses in multiple occupation. However, there has been an increase in landlords letting out smaller HMOs, which do not require a licence, and there are problems with some of those properties. To address the issue, we have extended mandatory licensing to single and two-storey properties. We have also set national minimum room sizes for sleeping accommodation and a requirement for landlords to comply with local authority refuge schemes, which came into force in autumn last year. Under the Housing Act 2004, larger properties occupied by five or more people forming more than one household require a licence. The hon. Gentleman is organising a summit to bring together housing associations, local authorities and local agencies. I very much hope that that will reassure him that licences are being applied for and are being applied appropriately in his local area.

The hon. Gentleman rightly raised the wider issue of drug use, which of course plays a role not just in lower level antisocial behaviour but in the rise of serious violence. I will come to that in a moment. We are absolutely committed to reducing drug misuse and the harms it causes—not least because the criminals who supply drugs and exploit vulnerable people are making a profit off the back of those who are addicted to such

substances. Although drug misuse is at a similar level to a decade ago, some indicators have been worsening. In part, that is driven by external factors such as an increase in global cocaine production. In response, the Home Secretary has launched an independent review of drugs, led by the eminent Professor Dame Carol Black. The review will look into the ways drugs are fuelling serious violence in the 21st century, and we look forward to its initial report in the summer. There is a strong link between drug use and offending, as 45% of all acquisitive crime is committed by regular heroin, cocaine or crack cocaine-using offenders.

I must touch on serious violence, because all too often in this House we have cause to reflect on the terrible scourge that serious violence is in our local neighbourhoods, streets and communities. We are taking forward a range of actions, with local and regional partners, to tackle serious violence. Last week, my right hon. Friend the Policing Minister and I hosted a briefing to update Members on the Government's work in this area. We intend to do that regularly because we know that this is a matter of real concern to colleagues across the House. We were pleased to be able to help colleagues to understand some of the work that we are undertaking. In terms of the national picture, the serious violence strategy puts a greater focus on steering young people away from crime while continuing to promote a strong law enforcement response.

We very much believe that the best way to tackle crime is to stop it happening in the first place. That may seem obvious, but removing the incentive for crime means offering young people sustainable life chances and a real alternative to a life of violence. That is why one of the schemes we have announced is the early intervention youth fund totalling £22 million, which is funding 29 projects endorsed by police and crime commissioners. Of that, £2 million has been allocated to the west midlands police and crime commissioner until March next year to help West Midlands police to communicate and disseminate key messages and to target those who are most at risk of serious violence.

We have also invested in a national county lines co-ordination centre, which has seen really significant results in the few months it has been operating. For example, in most recent week of sustained activity, police officers made 586 arrests, engaged with 519 vulnerable adults, and with 364 children for safeguarding purposes, and 46 weapons were seized. We are also supporting a new national police capability to tackle gang-related activity on social media. On the early intervention theme, we have introduced a new £200 million youth endowment fund that will be locked in for 10 years, enabling projects and charities to have much longer funding options available to them.

Jack Dromey: The Minister has referred to some welcome initiatives. However, when it comes to diverting young people from crime, on the one hand there is the point I made earlier about the importance of neighbourhood policing, but on the other hand, how can she square what she is saying with the enormous cuts that there have been to youth services—91% in the West Bromwich area? The impact of that in terms of the capacity of youth services, working with the police and others, to divert young people from crime has been very serious indeed.

Victoria Atkins: I think we all have to recognise that youth services must develop in line with social mores and the modern ways in which we live. Of course, youth services are the responsibility of local authorities, but through programmes such as the troubled families programme there are different ways of reaching different children and families.

As I say, the point of the endowment fund is to lock in this investment so that the money will be targeted at young people who are at risk of serious violence, either as perpetrators or as victims. We believe that it could really produce some very significant results from the range of projects that we imagine it will fund. It focuses particularly on young people aged 10 to 14. But this is just part of our overall programme across Government, including, for example, work by the Department for Digital, Culture, Media and Sport, the Ministry of Housing, Communities and Local Government, and the other Government Departments I have referred to, as well as the troubled families programme. A range of measures are being conducted to help to impact not just on children's vulnerability to serious violence but a whole range of other issues.

It is also important that we get the message out that carrying a knife is not normal. We have a campaign called #knifefree, which has been running for some time and has had 6 million views. It sends out the message that it is not normal to carry a knife, that there are alternatives and that help is available if a young person or their carer or parent is worried.

We are conscious of the fact that the summer holidays can, sadly, provide opportunity for criminal activity, so we have arranged for teachers across the country to receive plans for lessons on knife crime and how to avoid carrying a knife, if that is appropriate for their

pupils. Again, that will spread the message that it is not normal to carry knives. It will challenge myths and help 11 to 16-year-olds understand the realities of carrying a knife.

Legislation is an important part of the measures to tackle serious violence and antisocial behaviour. The House has just passed the Offensive Weapons Act, to target the sale of knives, corrosive substances and some firearms. We are aware that it cannot be a matter of law enforcement alone. As the hon. Gentleman said, it has to be about working together, with the various agencies taking a collaborative approach. That is why we have run a consultation on a new legal duty to underpin a public health approach to tackling serious violence. We are considering the responses to that consultation very carefully.

I thank the hon. Gentleman for his contribution and other colleagues for their contributions. I hope I have provided some reassurance that the Government are determined to tackle antisocial behaviour and crime, while recognising that this must be led at a local level by not only the police but a whole range of local agencies and authorities, to ensure that the wonderful area he described—not confined to Slade Road; he mentioned many places—remains a happy and safe place to live.

We cannot overstate the importance of people feeling safe from crime on their own streets and in their own communities. We believe that through concerted and collaborative action, we can bring the perpetrators to justice, mitigate the impact on other residents and offer young people a real alternative to a life of crime.

Question put and agreed to.

6.2 pm

House adjourned.

Westminster Hall

Tuesday 11 June 2019

[MR LAURENCE ROBERTSON *in the Chair*]

Social Mobility: Treasury Reform

9.30 am

Justine Greening (Putney) (Con): I beg to move,

That this House has considered social mobility and Treasury reform.

It is a pleasure to serve under your chairmanship, Mr Robertson. I called this debate because I passionately believe that this country's most powerful and most important resource is its people, and it is simply unacceptable that in the 21st century we still do not have equality of opportunity for people in Britain.

I am someone who knows what it is like not to have all the opportunities you want on the doorstep and not to be connected to those opportunities. I came into politics to get change on the ground for people, not just to debate what needs to happen. That is why about a year ago, with the Harrison Centre for Social Mobility, I established the social mobility pledge—to get action on the ground, working with businesses.

Hundreds of businesses have now stepped up to the plate to provide more opportunity for more young people, by getting into schools and helping to raise aspiration, talking about careers, allowing young people to come into the workplace to get work experience or apprenticeships and, crucially, looking at recruitment practices. Those companies are making sure that their approach on recruitment means they are open to all the talent out there. Hundreds of companies are involved. Already, social mobility pledge companies collectively employ more than 2.5 million people.

That work has taken me all over the country, from Sunderland to Hull, from Bradford to Manchester. With those companies and organisations, we are a coalition of the willing. We are finding out what works on the ground and are then spreading that insight and knowledge further and faster and creating a race to the top. The social mobility pledge is doing practical work to get more opportunity to millions of young people. I thank the businesses and organisations that are part of it, and part of this push.

This is a debate about social mobility and, of course, I noticed the announcement from the great leader, Jeremy Corbyn, at the weekend, ditching improving social mobility. I am sure the shadow Minister will want to respond on that, but clearly social mobility is just a distraction from the class war that Corbyn's Labour party is engaged in.

Mr Laurence Robertson (in the Chair): Order. Could the right hon. Lady please refer to Members by their constituency?

Justine Greening: Of course. The right hon. Member for Islington North (Jeremy Corbyn) has the sense, I think, that aspiration is a dirty word and is therefore not something that other people should feel is a good thing. That is wrong.

Lyn Brown (West Ham) (Lab): I was going to wait until my contribution to respond to the right hon. Lady, but it is quite clear that that is not the policy of the Labour party or of my right hon. Friend the Member for Islington North (Jeremy Corbyn). We want as many people as possible to do well, not just a chosen few in a grammar-school society of the type the right hon. Lady proposes.

Justine Greening: I thought the hon. Lady would probably say that. Unfortunately, that illustrates that the Opposition have not understood what social mobility means. It means equality of opportunity. It would probably be better—this is why I raised the point—if we stopped arguing about semantics and started talking about finding common ground on how to get change for the better for millions of young people and communities currently disconnected from opportunity or too far from it. If this just becomes a debate on semantics, which is what I worry the right hon. Member for Islington North is trying to turn it into, we will not get anywhere fast. I will come on to why that is a problem, but the topic of this debate is that, while there are broader problems around how we debate achieving social mobility, which is why it has not happened, there is a bigger problem, which is about how the Government approach social mobility and the Treasury's place within that.

Let us be absolutely clear: achieving social mobility means we achieve equality of opportunity for everyone in our country, irrespective of where they start, who they are and what their background is. It is not—I repeat, not—just about the gifted few.

I want to see system change. I have talked about the practical work I am doing on the ground with businesses and organisations through the social mobility pledge, outside of the Government, but if we are to finally crack the nut—unlike the Labour party, I do not believe we should give up trying to achieve social mobility—we have to ensure change inside the Government. To my mind, that starts with the Treasury, and that is why I called this debate.

After eight years in government, overwhelmingly as a Cabinet Minister and running three different Departments, my conclusion is that we effectively need to abolish the Treasury in its current form. What we have right now is dysfunctional and not fit for purpose. It does not achieve the transformation in opportunity and social mobility that Britain needs.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the right hon. Lady on securing this debate. She has a long interest in the topic. She referred to the abolition of the Treasury. Has she indicated that to the 10 Conservative hopefuls for Prime Minister?

Justine Greening: I will set out my wider strategy on why I think the Treasury in its current form is not fit for purpose. I hope in holding the debate that some of the arguments will get cut-through. If we are here to improve lives, for young people in particular, and to connect those young people to opportunity, things have to radically change, including in government. We need fundamental change in how the Government look at and invest taxpayers' money, and that means the Treasury.

Nigel Huddleston (Mid Worcestershire) (Con): I congratulate my right hon. Friend on securing this debate and on her work on social mobility over many years.

[Nigel Huddleston]

I think, like me, she was comprehensively educated—like many on the Conservative Benches—and joined the Conservative party precisely because we are the party of opportunity and aspiration. On the point raised by the hon. Member for East Londonderry (Mr Campbell), does she agree that we need to put pressure on the Conservative candidates to make sure that investment in education, which is a key enabler of social mobility, is a hot topic and something that every single one of them should have as a top priority should they become leader?

Justine Greening: I agree. I am setting out how to fix the underlying problem of why we are underinvesting in people in our country and their potential. That starts with the Treasury. In my view, the Treasury has a twofold problem—first, how it operates across Government and, secondly, its policy approach.

On how it operates, it starts going wrong with the Treasury—UK plc's finance department—having its own separate strategy from the Prime Minister, the chief executive. We have seen this down the years. It is traditional to see Chancellors at loggerheads with their Prime Ministers. We would never see a finance director able to countermand the CEO and undermine their strategy in any other organisation, yet that is exactly what we see, year to year and day to day. It has happened under Governments of every colour with the Treasury, as it is currently set up. Time and again, we end up with a Prime Minister, who is meant to be running the country, with one strategy, and a Chancellor with a different one, and both at loggerheads and going nowhere fast. It is no wonder that Prime Ministers do not get to deliver their strategies when the finance Department has an entirely separate one.

Parliament has a Budget speech every single year; it is essentially the Government's strategy statement to Parliament and MPs for the year. It is not, however, the Prime Minister who delivers the strategy statement; it is the Chancellor. That does not make sense at all. Of course, these Budget statements are traditionally packed with politically driven, willy-waving, "look-at-me" projects for the Chancellor. Most are not even Treasury ideas. The best ideas are hoovered up from every other Secretary of State running Departments across Government, and they are generally not even the Treasury's. Worst of all, most of these excellent policy announcements—for example, the one that we made a couple of years ago on vocational education and T-levels—are held up in order to wait for the Chancellor to announce them in a Budget statement. That is entirely dysfunctional, and it has to stop.

We should abolish the Budget statement in its current form, as delivered by the Chancellor. By all means, let us downgrade it and have it as a very important, but functional, annual presentation of the nation's finances. Why do we not replace it with a Queen's Speech update? This could be a proper strategy speech for Parliament every year, delivered by the Prime Minister. There is no reason why a Queen's Speech update—a strategy speech—could not introduce a Finance Bill. I have listened to enough Chancellors effectively introduce other Departments' Bills on social care and all sorts of things over the years. There is no reason why a Prime Minister giving an annual update on the Queen's Speech progress could not set out the key terms of a Finance Bill. The Chancellor could fill in the details later.

I will move on to the spending review, which is also a hugely dysfunctional process—that is assuming it happens, which I will come to in a second. The spending review is essentially a strategy process for the Government, yet it is not led by No. 10 and the Prime Minister; it is led by the Chancellor and a finance Department that potentially micro-manages a wholly separate strategy from that of the Prime Minister of this country. Through this process, the Treasury has other Departments totally over a barrel. I think there would be less of a problem with how spending reviews are approached if the Treasury actually approached them effectively, but it does not. Right now, the UK has budgets set to 2020, which is next year. The country has no budgets in place for any of its spend after next year, which is wholly unacceptable.

Look at how this plays out on the ground. Last week I was up in Bradford to meet the opportunity area team, who are doing some absolutely fantastic work on the ground by connecting improvements in schools, businesses, the local authority and communities. This is a long-term—probably a decade-long—project to get structural change in a community that has bags of potential but needs its schools to do better and its businesses to connect with and develop the talent coming out of those schools. However, the team does not even have a budget after next year. How can we expect to get long-term change in our country, if budgets do not even extend beyond the next 12 months? It is entirely disconnected from the real world of how change happens on the ground. I have talked about opportunity areas, but it is writ large across virtually every single Government-delivered project that is happening on the ground to change things and improve lives.

The Treasury has just cancelled the spending review. From what I read in the papers, we will simply be rolling budgets forwards. At such a crucial time, I cannot think of a less strategic way to manage the UK's public finances and invest in the future.

Alison Thewliss (Glasgow Central) (SNP): The right hon. Lady is making a compelling point on longer budgets. Does she agree that short-term budgets cause huge uncertainty for the responsibilities of devolved Administrations, who rely on knowing when the Budget will come and what the spending will be?

Justine Greening: Indeed I do. Of course, not being able to plan ahead is a hugely inefficient way to manage resources. We spend efficiently when we can get long-term deals from suppliers and contractors, and when we can plan into the future. The inability of any of us to do this is absolutely an inefficient, sub-optimal way to manage finances. If we were to have the spending review, it would be a three-year spending review, but even a three-year or five-year spending review is not long term for a country. The companies that I spent 15 years working in did three-year to five-year spending reviews, but they were not Britain, which needs to invest for the long term.

How on earth are we going to invest long term in people and unlock social mobility if we will not even look beyond the next two or three years? If we will not even look beyond the next 12 months, it is absolutely impossible. This is a failing strategy, and a functioning department or ministry of finance should know that. The fact that the Treasury does not know that tells us everything about why it is not fit for purpose and should, as it stands today, be abolished.

The way in which that failing extends, operates and works on policy in practice—I speak as a former Secretary of State who ran three spending Departments—is that unless a departmental policy area is demonstrably and critically failing on the ground, the Treasury’s attitude is to turn a blind eye and hope that it all gets better. The Treasury’s technical explanation for this is that it hopes that that will drive efficiencies; that the system will have to work harder and deliver the same for less money. That might be true in some cases, but we are set up to fail because the Treasury has no way of understanding when that point has been long passed, and we do not have enough resources to deliver the Government’s plan—possibly the Prime Minister’s plan, but often it is the Chancellor’s plan.

Problems are not fixed early and are simply left. By the time the Treasury finally understands that it is a crisis, it is more expensive to fix it. Alongside a total lack of long-term planning, the Treasury does not fix problems early, which is hugely expensive. Departments’ spending—be it on prisons, schools, healthcare, local government or children’s and adults’ services—ends up in crisis, needing last-minute funding. That is a hugely expensive way to run the nation’s finances. Most importantly, it leads to real hardship on the ground, which is the exact opposite of what Governments of all colours try to achieve.

In my area of education, it was blindingly clear in early 2017 that, although the schools funding formula was broadly the right approach—levelling up schools that had traditionally been underfunded—more money needed to go through the formula, and the money should have come from the Treasury. That was clear to me from talking to colleagues and MPs in the House, and from talking and listening to teachers and parents, yet it was only after the election that we could take any action on that obvious problem. In fact, as everyone knows, I ended up doing my own mini-budget to release £1.3 billion to put into frontline funding. One might have expected that the Treasury would welcome a Secretary of State doing its job for it, but I had to haggle to get that agreement through the Treasury and be able to announce it. I fear that the Treasury yet again is making a similar mistake on school funding and repeating the process.

Reviews are another classic Treasury ruse. The recent Augar review managed to waste well over a year coming up with obvious conclusions about additional funding for further education, but no doubt the Treasury is delighted that it can kick the issue into the long grass for another 12 to 18 months. However, if the substance of the point is that FE needs additional funding, the Treasury has not done young people in the FE system any favours by turning its face away from the need to fund the system properly. It simply cannot be allowed to continue operating in this way.

I have talked about my experience of how the Treasury interacts with other Departments, but what about its policies? It should be managing the nation’s finances to maximise long-term value by unlocking the potential of its most crucial, precious resource—its people. It should set taxation and public investment policy to deliver that strategy for the long term. That is how to reduce the deficit sustainably. It needs to be a finance Department with policies to tackle weak access to opportunity.

For example, how do we recapitalise a generation of young people who do not have access to capital and therefore are not only disconnected from the fact that Britain is a capitalist society but cannot access opportunity? The Government and Parliament decided that they are willing to give young people access to capital if they want one kind of opportunity—a degree—but other opportunities are a wholly different matter. If young people want resources to move across the country to get the apprenticeship opportunity that they really want, to start a business, to put down a deposit on a house, or to rent a place somewhere where they can get on with their career, we do not capitalise them to do that. We should be doing that, and a functioning Treasury would look at those sorts of strategic measures to unlock a structural change in access to opportunity and social mobility in our country.

My hon. Friend the Member for Mid Worcestershire (Nigel Huddleston) asked a good question about the leadership candidates. At the moment, we are hearing only simple, tactical taxation suggestions that, frankly, would not strategically or structurally shift the dial on social mobility.

Nigel Huddleston: My right hon. Friend is being very generous in giving way. Does she agree that enabling young people to reach their full potential is a core responsibility not only of the Treasury but of the Government? I suspect it is one of the key reasons why we got into politics in the first place. Will she join me in appealing to the Prime Minister, before she leaves office, to make a strategic and big move on education and education funding, which would ensure that the future leader, whoever it is, is obliged to deliver incremental, significant increases in funding for education in order to deliver on the key promise that she made when she first entered Downing Street three years ago?

Justine Greening: If the Conservative party is to be taken seriously as the party of opportunity, it is important that it has a clear, articulated and well-funded strategy on developing our nation’s talents, and of course that means investment in schools. One of the problems is that, because the Treasury does not have an approach on valuing human capital, it does not understand how to look at valuing investment in schools alongside investment in physical capital. It does not have any sense of how to invest in human capital, which is perhaps the most powerful form of capital, but it is all over how to value the long-term returns on physical capital infrastructure projects, such as High Speed 2. The reality is that it is the capacity and talent of the people who get on those trains, log on to the broadband, get on the tube—like my constituents—or get into the cars that go on those roads that will determine whether Britain is successful in the future.

A functioning Treasury would understand that that is how to maximise long-term tax receipts and the effectiveness of public investment, because of course improving lives is the best way to take the pressure off public spend, so much of which is invested in lives that have gone wrong. Instead, the Treasury effectively just manages cash flow year to year—I am a chartered accountant with 15 years of experience in business, so I am as qualified as anyone to comment on this. We see reports saying that tax receipts and growth have been a bit better, so the Chancellor has a bit more money in his pocket. That is

[Justine Greening]

cash flow management, not managing the nation's books for the long term. It is the polar opposite of a long-term strategy.

The fiscal rules should be scrapped and reworked on the basis of debt and deficit, how we deliver and measure long-term value and whether policy measures are creating or destroying it. In Cabinet, I regularly pointed out to the Chancellor the Treasury's inadequate approach to valuing investment in people. An example of that is that we spend literally hundreds of thousands of pounds on the children and young people who end up in alternative provision and out of mainstream school. About 6% of them come out of alternative provision with a credible, strong or standard score in GCSE maths and English. That is no sort of strategy. A functioning Treasury would insist that it be reworked to deliver not only better lives but a smarter approach to spending. Those are some of the most challenging and vulnerable young people in our country, and they are often dealt with by children's services. Those are the kids who have had the toughest starts and often face the bleakest futures. There is an opportunity cost to them in the failure that lies ahead of them in their lives if we do not help them get on track, and to the public finances, too. I have met lots of those young people. I have been up to the Beacon of Light—a fantastic place in Sunderland that helps young people to get on track and works with local businesses to slot them into careers. It turns their lives around and gets them on track. That is transformational not just for them but for Britain's long-term public finances. Those young people generate more tax, which contributes to our economy and our society. The spend on welfare, the justice system and health due to continued family breakdown is less.

As Secretary of State for Education, I had those discussions regularly with the Chancellor, the Chief Secretary and the Treasury. A Treasury sensibly managing public finances for the long-term would run towards a business case that would improve those lives, but it was like pulling teeth. If the Treasury continues to see spending on health, education and prisons only as a cost, it will always try to minimise it. Instead, it should see that spending as an investment that generates a return. Changing the way the Treasury works so that it looks at early intervention and fixing problems before they become bigger would deliver long-term, sustainable and optimised public finances.

The Treasury's strategy on taxation and spending should be looked at through a very simple lens—does it deliver improved social mobility in our country or not? Every policy should have a clear test: does it level the playing field on opportunity in the short and long terms? If the answer is no, the Treasury ought to ask whether and why it is wise to put taxpayer money against that project.

I know that the Treasury has under way some Office for National Statistics work on valuing human capital—I am pleased about that—but it is about how that capital is accounted for, and I am afraid that the work just scratches the surface of the issues that I have raised. I am talking about far more than the ONS project. I am talking about a Treasury that, in its present form, is clearly incapable of doing the job that it needs to do to

manage Britain's public finances, unlock social mobility and, dare I say, reform itself, which it will not do to itself.

We should consider breaking up the Treasury, perhaps splitting it into a Ministry of Finance and an Economics Ministry, while merging the former with some elements of the Cabinet Office and having it report properly to the Prime Minister, so that it genuinely delivers a Prime Minister's strategy for our country. This morning, I have not had much time to do anything more than scratch the surface, but if we really want Britain to be the first country to achieve equality of opportunity, a significant part of that solution starts right at the heart of Government, by fixing the dysfunctional Treasury.

Unless we grasp that nettle, we should not be surprised to get the same day-to-day cash flow management that prioritises political pet projects, sets No. 10 and No. 11 at loggerheads with each other, which is dysfunctional for the nation, and, in the end, achieves the exact opposite of what we all want—for our children, young people and communities to have equality of opportunity, access to opportunity on their doorstep and the chance to be the best version of themselves. That unlocks the chance for our country to be the best version of Britain, too.

10.2 am

Jim Shannon (Strangford) (DUP): I thank the right hon. Member for Putney (Justine Greening) for securing this debate and for setting the scene so well. It is always a pleasure to speak on matters of such importance, and I support and sympathise with her remarks. I am pleased to see that the Democratic Unionist party is the second-largest party represented in the Chamber today, just slightly behind the Conservative party numerically.

I thank the right hon. Lady for her hard work on this issue and for the work she did as a Minister. I completely agree with her assessment of the Augar review, and I enjoyed reading her piece in the *Financial Times* earlier this month on that very topic—it was helpful for a better understanding of the debate, for which I thank her. Something that jumped off the screen was this:

“Its figures show that graduates going on to earn the highest salaries among their peers will see their overall repayments reduced by £18k—a third compared with now. However, for lower to middle-earner graduates, it is the opposite—Augar raises their overall repayments by £12k, almost double.”

I sincerely believe that that reinforces the view that the rich get richer at the expense of the lower class, who become stuck in a mire, as the right hon. Lady mentioned. We should also put on the record our thanks to the Library for providing a briefing pack with information and examples of the issue to help us.

It is important to look at the different opportunities for social mobility for women compared with those for men. There have been changes, which we must recognise, but later I will give an example and tell the story of a constituent who I think exemplifies the issue from a gender point of view. We must also address the fact that ethnic groups have experienced differing life chances over time. In her concluding remarks, the right hon. Lady referred to the need to give everyone the opportunity to maximise their potential, and I want to see that as well. There is also the issue of social mobility opportunities across the country in business and industry.

I am not here to play party politics—that is not my job in this place or what I am about—but it is only fair and right to recognise that Tony Blair’s Labour Government committed themselves to social mobility. At that time—before my time in the House—Blair also committed himself to addressing the issue of poverty, because social mobility and poverty were interlinked. To be fair, it is only right to recognise those commitments. The Conservative-Lib Dem coalition Government also had a clear strategy to improve social mobility. The then Deputy Prime Minister, Nick Clegg, said, “fairness means social mobility.” Clearly, he looked at that too.

The right hon. Lady referred at some length to human capital—it is important to put that on record—which I think is the crux of the matter. The Organisation for Economic Co-operation and Development defines human capital as the

“knowledge, skills, competencies and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being”.

Clearly, we should never underestimate human capital if we want it to arrive at where its potential allows. In an October 2018 release, the ONS indicated that the total stock of human capital in the UK in real terms was worth £20.4 trillion in 2017, slightly down from £20.6 trillion the year before. It is good to recognise human capital.

Earlier, I mentioned a young lady in my constituency who I believe would fit into this category. She is an example of someone who, through social mobility, tried to advance her status and position in life, and succeeded. It is important to mention someone who achieved her potential when the regime was perhaps not set up to let her do so.

Mr Gregory Campbell: Does my hon. Friend agree that part of what we need to do is to further incentivise people, particularly young people, through the tax system, so that they can save? Personal allowances, for example, have risen in recent years, but we also need a rise in the national insurance threshold, so that people—particularly young people and those in part-time employment—can earn a higher net income, then work through the system with greater training and skills, and enter a higher earnings bracket.

Jim Shannon: My hon. Friend and colleague so often brings to debates an overarching view of where we and young people in our constituencies and across the whole of the United Kingdom need to be.

I will give an example that came my way only last week—although I know the young lady concerned—while I was researching for this debate. She has four children, works in retail, and her husband works in manual labour. Both are on low incomes and receive tax credits to supplement their income. Tax credits have been a great boost for many people. They are okay as long as they are going all right, but whenever they go wrong—if there is an overpayment, for example—they become a real noose around recipients’ necks. When done right, they are a bonus.

The young lady’s eldest child suffered a traumatic brain injury a number of years ago—he survived, thank God, although his life is altered as a result. The reason she came to my staff was to ask for help understanding the benefits system. Probably for all MPs, including

the Minister, the most important issue in our constituency office is benefits—it outstrips by far all other requests to our office.

My constituent had decided that she would like to go back to college to get the qualifications necessary for her to enter higher education, with the goal of being an intensive care unit nurse providing the assistance for which she was so grateful in her life. That lady is everything that we might associate with the job: caring, compassionate, intelligent and dedicated. I believe that nursing is a calling, and she certainly has it. She just needs the opportunity—the social mobility for the human capital referred to earlier, to get the opportunity to advance herself and to do well.

In order to answer that call, however, my constituent needs to have her children minded. Her parents have passed on and her in-laws are both still working full-time. She gets tax credit for the few days that she works to help. That would all change if she became a student to provide a better life for her family. This young lady wanted to do better, but found herself in a system that almost holds her back, as my hon. Friend the Member for East Londonderry (Mr Campbell) was saying. What the right hon. Member for Putney said in her introduction is therefore exactly the issue that we have to address.

“Treasury reform” is included in the title of the debate, and clearly the Treasury has to take the issues on board—giving people opportunity and the chance to do better. My constituent, however, would have her tax credits cut if she was on a course, which she would therefore be unable to afford. That was her predicament. The system as designed does not allow for change, but ties us to where we are. Knowing the young lady as we do, she is a loss to the medical profession. If she wanted to claim housing benefit to offset the loss of tax credits, she would have to go on universal credit, and she simply could not afford the five-week lead-in because she has four children and rent to pay.

My constituent is stuck, and my fear is that the Augar review does not help people like that—the right hon. Member for Putney referred to that in her introduction, I refer to it now and others who speak afterwards will no doubt do the same. Such examples perpetuate the idea that university is only for the young and for the middle and upper classes, and that those who are called to do different things with their life cannot do it all. That frustrates me and, for the record, I would like to see the change proposed by the right hon. Lady, because it would be helpful.

My staff have made inquiries about the help available to get my constituent to the stage at which she can go into nursing with the bursary that being a student nurse brings. As for making education accessible to working-class people, however, we clearly have not achieved that. We sincerely need to work harder to do that. That is why I am supportive of my colleague, the right hon. Lady, and her desire to ensure that those in need of help and support to reach their goals can get it, regardless of the social structure into which they were born.

This debate is about giving opportunity and about ensuring that those who need help can achieve it. At the present time, our system does not help such people in the way that it should. The days of education only for the privileged are, and should be, a thing of the past, and the days of further education only for the young or privileged also need to be a thing of the past.

[*Jim Shannon*]

This Government and the Minister must understand where people are coming from and help them to get to where they need to be.

My mum and dad sent me to boarding school. I know, honestly, that that was a big step for them to take. Those five years when I was in boarding school meant that my working-class family had to keep the same car for years, had no holidays, and so on. I am therefore deeply indebted to my parents for giving me that educational opportunity. They worked, scrimped and saved to make it happen. What I want to see in the society I live in and represent is everyone having the same opportunity. I do not see that now, unfortunately. That is why this debate is so important—I thank the right hon. Lady for securing it and for airing the issues so well today. By doing so, she has done a favour and sought justice for people across all of the United Kingdom of Great Britain and Northern Ireland, where opportunity and equality should be there for all.

10.14 am

Alison Thewliss (Glasgow Central) (SNP): It is a pleasure to see you in the Chair, Mr Robertson.

To my shock and surprise, I suppose, I agreed with an awful lot of what the right hon. Member for Putney (Justine Greening) said. It is just a shame that her Government have no intention of doing a lot of the things that she spoke about. There is no evidence that they will do any of those things, despite her best efforts. In many cases, indeed, what the Government have done to people across these islands is quite the opposite.

The right hon. Lady spoke about the Treasury running a separate policy to the Prime Minister and about the need for investment in the long-term rather than only year to year. I agree wholeheartedly with such things, which need to see change. Again, however, the Government seem intent on having reviews that go nowhere and on other delaying tactics, and not on investing in that long term. As I suggested in my intervention, that has a knock-on effect on the Scottish Government and their ability to do the things that they want to get on with and do.

Ongoing uncertainty about budgets, the wait or lag times between what the UK Government announce and their Budget, and then what the Scottish Government have to do with that money and the implications of the Barnett formula—whether things go up or down the UK—all determine what is left for the Scottish Government to spend. That adds to the unpredictability of the Scottish budget and the priorities within that, because the priorities of the Scottish Government are not necessarily anywhere near those of the UK Government, who set the budgets and determine how the money will flow. A huge amount therefore needs to change in how things are done in the UK. Unfortunately, however, I do not see things changing anytime soon.

The Social Mobility Commission's "State of the Nation" reports provide a further damning indictment of the UK Government. The commission has found that social mobility has stagnated over the past four years at virtually all stages from birth to work. That is not a huge surprise to anyone, because poor social mobility has a close relationship with income inequality, an indicator that the

UK has consistently failed to improve. The UK is the fifth most unequal country in Europe, according to the Institute for Public Policy Research.

Income inequality as an issue is of course not exclusive to the UK. Global trends point to inherited wealth increasing faster than earned income. Sustained efforts are required to get rid of the sticky floor, which makes it incredibly difficult for people to climb out of poverty. The OECD estimates that it will take five generations for children in poverty in the UK to reach the average income—that is a sobering statistic—and gives no prospect of things changing soon.

I have raised some of the issues surrounding the tax system before in this place. The tax system in the UK is simply not fit to tackle big issues such as income inequality and social mobility. It is unwieldy, unnecessarily complex and full of holes to hide in. This UK Government have provided a catalogue of tax reliefs for those who are already wealthy. A report by the Tax Justice Network illustrates that well. It found that wealthy families substantially reduce inheritance tax obligations by invoking tax reliefs on the value of agricultural and business property. Last year, the combined cost of that particular tax relief was £930 million—equivalent to the cost of employing 23,000 NHS nurses. In fact, £930 million can buy a lot of things—it is nearly the cost of expected savings to Government of the universal credit two-child limit. It is extremely telling that this Government prioritise tax breaks for the very wealthy while simultaneously cutting support for children at the lowest end of the income scale—those who need it the very most.

The hon. Member for Strangford (Jim Shannon) was absolutely correct to point out the gender gap in social mobility, and the gap for black and minority ethnic communities. That is writ large in the statistics and in the people I see at my surgeries. He was correct that, when done right, tax credits are a great boost to many people and that those wishing to better themselves within the bizarre structure that the UK Government have put together have lost out.

In my own family, my Papa Thewliss studied, went to night school and did the best he could for his family. In essence, that is part of the reason why I am here today—my grandparents were willing to put that investment into their children, so that my parents could be the first in their families to go to university, and so I am here today. On Saturday, my gran turns 99, and it is some satisfaction that she sees what has happened in her family to get me here.

The structure has to be in place for such social mobility to happen, however. University has to be affordable and apprenticeships have to be supported and achievable. That is not always available for too many people. The points that the hon. Member for Strangford made about the accessibility of apprenticeships and other things, and that the right hon. Lady made about people being able to travel to reach those apprenticeships, are important. It is also important that apprentices can earn a real living wage, because the minimum that apprentices are entitled to is a pittance. We cannot expect people to put their lives on hold for the pittance of an apprenticeship wage. More support needs to be put into real living costs, because apprentices have bills to pay and families to support, and that needs to be part of the package.

The social contract has been ripped up for the people who need it most. Last month's report by Philip Alston, the UN special rapporteur, stated that austerity has decimated the lives of many people and actively pushed them into poverty. The UK Government have said that that kind of fiscal discipline is vital to reduce the deficit and build a strong economy, but that need for fiscal discipline evaporates completely when it comes to tax breaks for the wealthy, spending billions of pounds on Brexit preparations or putting nuclear weapons on the Clyde.

It is not difficult to draw the conclusion that the cuts were never about reducing the deficit and are ideologically driven. We are seeing even more blatant rhetoric coming from the Tory leadership race, in which the right hon. Member for Uxbridge and South Ruislip (Boris Johnson) has promised a huge cut in income tax for the highest earners if he is elected. The Fraser of Allander Institute at the University of Strathclyde in my constituency has hinted at the impact that that will have on the Scottish budget. Because of the devolution of income tax, the tax cut would not apply in Scotland, but the resulting budget cuts would. To pay for it, national insurance would increase, which will have an impact because it is reserved—Scotland has no control over national insurance. We would lose out on the budget because of that policy, and national insurance contributions for people in Scotland would increase.

If I had the opportunity to give an extra £6,000 a year to one group of people, it would not be those earning over £80,000 a year. It would be some of the families rendered destitute by the hostile environment policy, for whom my office has to source school uniforms, food bank vouchers and Christmas presents, year in year out in some cases; or the women who are victims of domestic abuse, who have to declare that their third child was born as a result of rape just to put food on the table; or people with disabilities, who have to be hauled through a degrading and inhumane assessment system at the risk of being threatened with sanctions. Those are the people in society who desperately who need a break and to receive that £6,000. That is a choice that leadership candidates are putting forward as something they would bring in to Government if selected.

My colleagues on the SNP Benches and I have consistently called for devolution of all welfare powers, inheritance tax and other taxes, so that the Scottish Government can get on with the job of tackling income inequality. We have created the first Scottish income tax system, which is the fairest in the UK. The system has meant that 55% of Scots pay less tax, while raising £68 million for public services. The report I referred to by the Social Mobility Commission, which was so damning of the UK Government, congratulated the Scottish Government on the work they have been doing to increase social mobility. The report says that Scotland is going against the UK trend and becoming more socially mobile.

I urge the right hon. Member for Putney to look at what Scotland is doing in that regard. A person's socio-economic status is now less likely to be determined by their parents' socio-economic status. The likelihood of being in a professional job for those from a working-class background compared with those from a professional background has narrowed over the past four years, from 28 percentage points in 2014 to 23 percentage points.

The Scottish Government have tried to tackle the issue of people from different socio-economic backgrounds getting into university. A huge amount of work has been done to switch that trend.

I give credit to businesses, as the right hon. Lady did, that are involved in that kind of initiative. I visited Zurich in my constituency, which is taking more people straight from school into the insurance sector. It recognises that having a degree is not necessarily what it needs in its business—it wants a rounded range of skills for a better business. It has found it hugely beneficial to bring people in from school.

Justine Greening: I am sure the hon. Lady will be pleased to hear that Standard Life Aberdeen is also very much walking the walk, and genuinely making an impact that goes well beyond its employees and into the wider community.

Alison Thewliss: I agree that there are great examples of businesses right across Scotland—I could stand here all day talking about them. It is good that Standard Life Aberdeen is doing that and that more businesses recognise that including a degree on job adverts and applications is not necessary in many cases. By removing that and looking much more widely at the range of skills that people can offer, rather than what degree they do or do not have, social mobility will increase, so that is to be commended.

The Scottish Government are pursuing an inclusive growth agenda and view tackling inequality and growing the economy as two sides of the same coin. I am sure that the right hon. Lady would agree with that, given her speech. It is important to think about the type of society that we are creating with economic policies, and to consider what the point of growth is, if it is built on the backs of the most vulnerable. The Scottish Government have invested in decreasing child poverty, with an ambitious target to reduce it to 10% by 2030. They have introduced a legal requirement on public sector bodies aimed at reducing socio-economic disadvantage. Fundamentally, the Scottish Government oppose Brexit, which continues to threaten hard-fought steps towards reducing inequalities.

The right hon. Lady laid out the dysfunction of the British state in great detail. That is what we see from Scotland. Increasingly, people in Scotland do not believe that the British state will work for them. We have tried, we have waited and we have looked for changes, but they have not come. In fact, from the Scottish perspective we can only see things getting worse. We have asked for more powers, so that Scotland can try to tackle these things, but we do not yet have the full levers of powers that we would have as an independent nation in which we could tackle inequality head-on, using the full range of powers of an independent country. Time and again, the UK Government have abdicated their responsibility to the most vulnerable people. If they cannot do their job, they should allow Scotland the powers to do it instead.

10.26 am

Lyn Brown (West Ham) (Lab): It is an absolute privilege to serve under your chairmanship, Mr Robertson. This has been a good debate; it is nice to watch friendly fire and I enjoyed listening to the right hon. Member for Putney (Justine Greening) make an excoriating attack on the Treasury. I will come to her comments about

[*Lyn Brown*]

social mobility later, but the fundamental truth is that when she talks about the current Tory Treasury, she is absolutely right. This Government do not treat spending on social infrastructure as the investment in our future that it should be. Unsurprisingly, as she says, this Government have failed to invest in our children, our young people and in all of us.

During the last year of the Labour Government, we spent almost 6% of our GDP on publicly funded education and training. By last year, that had fallen to just over 4%—a cut of more than a quarter. Given the challenges we face, we clearly need far more investment in skills and knowledge, to transform our economy, to deal with the climate crisis and to make the fourth industrial revolution prosperous and fair. Instead, as we know, during Tory rule school funding per pupil has fallen by 8% in real terms.

The consequences are blindingly obvious. More than 1,000 schools have had to rely on crowdfunding for basics such as pencils and textbooks. At least 26 schools are closing their classrooms early because they do not have the money to keep teaching. The proportion of pupils in supersized classes with more than 31 pupils to a single teacher is at its highest level for 36 years. The number of pupils doing a GCSE in music has fallen by almost a quarter since 2010, just as industry is asking us for more creativity and collaboration in education, because those are the skills needed. Can the Minister honestly say his Government have put in the investment that our schools need?

Our further education providers have been cut by even more: sixth forms by 21% and colleges by 8%. The Social Mobility Commission found that 41% of FE providers had reduced their careers guidance and 48% their mental health support. In its report, it also cited evidence that 51% of colleges had stopped teaching modern languages courses. What about the notion of a global Britain post Brexit? Some 38% of schools and colleges have dropped courses in science, technology, engineering and maths—the courses our economy needs to prepare for the fourth industrial revolution. It is jaw-dropping that schools and colleges have been forced into that.

We have a recruitment crisis in nursing thanks to the Government's scrapping of bursaries. We have a productivity crisis linked to a skills deficit and a lack of progression during people's careers. Surely, the Government must have invested in adult education, given that we know people have to change course in their careers—nobody goes into a job at 18 and stays till they are 67 any longer—but no: that has been cut almost in half since 2009-10. Apprenticeship spending has fallen by 44%. The Open University, which has given a second chance to millions of people, is on its knees because of the Government's tuition fees regime. It could not be clearer that older and part-time learners are simply scared off by the level of debt they are now expected to take on if they want to improve their education and change their course in life.

That is the situation in schools, colleges and adult education—cuts, not investment. What about early years? Sure Start has been cut by two thirds since 2010, with 1,000 centres closed. We know about the amazing benefits of Sure Start—we heard about them again this month—so it is not that the Government do not know about Sure Start's value to society and the economy. Children are

almost 20% less likely to be hospitalised by the age of 11 if their family has access to a Sure Start centre—that is massive—and the most disadvantaged children benefit the most. The impact on the NHS of fewer children being hospitalised is enough by itself to pay for 6% of Sure Start's costs, and it is one impact among many.

The 2010 evaluation of Sure Start found that access to Sure Start increased children's physical health, including their chance of being a healthy weight. We all know that childhood obesity, apart from causing misery, costs the state money. The 2012 evaluation found improvements in parenting and the home learning environment. The 2015 evaluation found improvements in children's behaviour and more. All those evaluations were funded by the Government, but this Government have not learned that investing in Sure Start saves money. It pays off. Even looking at it from this Government's ideological position, it saves money. It does not just improve lives.

The story is the same with youth centres, which have been cut by 40% on average across the country and by as much as 91% in some places. I understand that Tory Treasury Ministers might not understand that making a bat and a ball and a table tennis table available to young people creates wealth; it is hard enough to get them to understand that that is what happens when they open a Sure Start centre or invest in teachers in our schools. When investment in youth services is taken away, young people are far more likely to have their lives blighted and their potential wasted by becoming victims of exploitation.

In east London, we know that only too well. Youth centres and youth workers provide young people with spaces away from the county lines groomers on our streets. Youth centres are places where young people know they can find an adult to talk to—somebody who can listen to their problems, offer them real resilience against the troubles on our streets and point them towards opportunity. What is so essential is not the bat and ball and the table tennis table in the youth club, but the professional who stands by the young person's side and can give them different ways of dealing with the man on the street who offers them chicken to be a lookout for him while he sells his drugs.

Good youth work stops children being groomed, stops children's potential being wasted and stops children's future contributions to our economy and our society being stifled. Ultimately, it stops the young people I have been speaking about ending up in prison, which I am sure the Minister knows is massively expensive—more than £3,000 per prisoner per month.

If we had invested earlier, how many of the lives that have been blighted by county lines exploitation could have been saved, and how much money would the Treasury have saved? How much more would have been contributed to our economy? Investment in social infrastructure benefits our economy and our society in so many ways for decades into the future. This pro-austerity Tory Treasury just does not get it. It is a barrier to the investment our communities need. The right hon. Member for Putney knows that from her first-hand experience as Education Secretary.

The situation is no different on other issues, such as the climate change crisis: the Chancellor is still trying to obstruct the green investment we need. Thankfully, the right hon. Member for Runnymede and Weybridge (Mr Hammond) will not be at the Treasury much

longer. Unfortunately, the reckless, regressive and plain idiotic pledges of the Tory leadership contenders do not inspire confidence that anything will change. It is a great pity that the right hon. Lady did not throw her hat in the ring. I have watched what she has been doing over the past few months—I have even watched her videos online—and I thought she might be building up to a bid, but sadly not.

Instead, we have the right hon. Member for Uxbridge and South Ruislip (Boris Johnson), who has promised £10 billion of tax cuts. That money would pay for more than 400,000 new teachers, but of course it is not teachers or nurses who would benefit from those tax cuts. More than 80% of the financial gains would go to the highest earning 10% of families. It is clear where his priorities lie, and it ain't in investing in our children.

A Labour Treasury would be totally different. At the last election, we committed to providing over £6 billion more for schools and over £5 billion more for free childcare, as well as nearly £14 billion for post-school education, including free further education and higher education tuition. But this is not just about individual pledges; it is about how we will work across Government to ensure that our investments build social justice as we rebuild Britain.

We will support cumulative impact assessments of our Budgets to ensure that they help the many and not the few, and we will adopt the Select Committee on Education's recommendations for reform of the Social Mobility Commission. The right hon. Member for Putney will know that that Committee is chaired by one of her hon. Friends. I have not seen him of late; I wonder whether he, too, is suffering from friendly fire. I share that Committee's diagnosis of the problem. We have had many years of initiatives to improve social mobility that simply have not succeeded. I think the right hon. Lady agrees that sometimes, in the case of opportunity areas, those initiatives have been just a bit too small. At other times, they have had to fight against the headwind of austerity Budgets that have increased poverty and inequality while cutting the public services that protect us from them. Even when Budgets have been progressive and investment significant, focusing on social mobility has not made our country just, because the aim has been to help only a few to get on, and not to make our country fairer for all.

The right hon. Lady disagrees with that as a definition of social mobility, but from what she has said in the past about how we have never actually had social mobility in this country, I do not think she disagrees with that as a description of reality. I agree we should not get too caught up in semantics, but talking about social justice does not do that. Instead, it expands the debate back out to where we both agree it should be.

When I introduce myself I do not know what title to use. I say, "I'm the shadow Minister for social mobility, kind of against social injustice. I'm anti-poverty and for social justice." I do it all the time because we do not have a term that adequately explains where we think we should be going. I do not want to argue about words with the right hon. Lady. I think we should focus not just on narrow, voluntary programmes that are based in the Department for Education, but on joined-up strategies to transform our country and make it fairer and more just for all. That should be backed by the investment that only the Treasury can provide.

Labour would appoint a social justice Minister, despite the problems that the definition of that term might cause, and we will ensure that that Minister co-ordinates action across Government, drives forward our social justice agenda, and ensures it is matched by needed investment. The Treasury must properly support all the actions that should be taken by Departments—not just the Department for Education or the Department for Work and Pensions, but the Department of Health and Social Care, the Ministry of Housing, Communities and Local Government, and even the Department for Digital, Culture, Media and Sport—so as to tackle the injustice and poverty that this Government have effectively created through their austerity measures. That new Minister will have the full support of the Treasury because they will be based there. There will be no separation between the wider Labour agenda and Treasury strategy, such as that described by the right hon. Lady. We are talking about serious investment and long-term commitment to social justice, and that is what Labour will offer.

10.42 am

The Financial Secretary to the Treasury (Jesse Norman):

It is a pleasure to serve under your chairmanship, Mr Robertson, and I am grateful for the opportunity to make my parliamentary debut as Financial Secretary to the Treasury and Paymaster General by discussing social mobility, which is an issue of great importance to the House, as today's interesting debate has demonstrated. I have a certain degree of nerves, however, because if in my first debate a former senior Treasury Minister contemplates the abolition of the Treasury, I shudder slightly to think what my second debate may lead to, but I will take it for what it is.

I thank my right hon. Friend the Member for Putney (Justine Greening) for her fascinating and thought-provoking contribution, and I congratulate her on securing this debate. A Putney debate on social mobility is becoming an important part of the Treasury calendar—perhaps it should be counted as a fiscal event, along with other events of more familiar coinage. I very much congratulate her on her long-standing commitment to improving the life chances of people from disadvantaged backgrounds. That was a hallmark of her time in government, and I respect and applaud her tenacity in pursuing the issue now, as well as her work on social mobility more widely, which includes the social mobility pledge that she highlighted in her speech.

If I may, Mr Robertson, I will briefly canter through some facts about what the Government are doing in this area, and then come to the contributions that have been made, in particular that from my right hon. Friend. The Treasury's record on social mobility is a good one. There may be plenty of work to do across Government, but the Treasury has had 35 new apprentices in the last financial year, and it offers internships and insight days to students from diverse backgrounds. It was ranked 34th on the Social Mobility Foundation employer survey last year. The Treasury is rightly seeking to make headway in this area, as should the Government as a whole.

The wider point is that social mobility is a force not just for social progress but, as has been highlighted, for economic progress. If one were to use philosophical terms, we should seek to create not merely negative freedom but positive freedom. We need not just relief from the things that constrict and impede human potential

[Jesse Norman]

but active empowerment and support for people from every background in this country. Supporting social mobility is not only right but it is in the public interest, as it means that our culture, national conversation, politics and economics will benefit from the widest possible range and diversity of voices. It is also wise in a more directly economic sense because, as the global economy's centre of gravity moves eastwards in the 21st century, the UK's strength will lie in not merely the size but above all the quality of its workforce. Social capital and investment in human capital is vital to those things. It is therefore in our national interest to encourage and nurture people to achieve their best, because we need their talents and skills.

The Government's record is a good one. They have achieved higher employment in every region of the UK, and introduced and increased the national living wage. They have taken millions of the lowest paid out of income tax altogether. That can, of course, only be a staging post, and the Social Mobility Commission's report, published at the end of April, demonstrates that there is plenty of work still to be done. Importantly, however, we understand the magnitude of the task.

For many people, the yardstick for social mobility is home ownership, and as a result of Government policy, 80% of first-time buyers pay no stamp duty at all—that is one reason why the number of first-time buyers is reaching its highest level for 11 years. The Government have also made a real impact in education, which was in part due to my right hon. Friend's time in government. A combination of the free schools programme and a reformed curriculum has narrowed the attainment gap between disadvantaged pupils and others at every stage, from early years to secondary school. Ninety-five per cent. of all early years settings are now rated good or outstanding. That is up from 68% in 2010 and means that a record proportion of children start year 1 with a good level of development.

The Government have backed schools with £1.3 billion of extra investment and protected the pupil premium, with 1.9 million more children in good and outstanding schools. However, that funding will not get to the heart of improving social mobility unless we also tackle geographical inequalities. That is why, as my right hon. Friend rightly highlighted, it is important to make school funding fairer and more consistent.

The Department for Education provides roughly £25 million every year through the national funding formula to assist the smallest and most remote schools, and in the last Budget it was announced that rural primary schools would benefit from a £200 million programme for fast and reliable internet access across the country. The apprenticeship funding model is designed to support individuals from disadvantaged areas, by providing cash payments to providers for training apprentices who live in the top 27% of deprived areas. The Government have awarded the first 11 Institutes of Technology across England, so that even more students can access an excellent technical education.

My county of Herefordshire is something of a social mobility cold spot, and I am particularly grateful to my right hon. Friend as she was Secretary of State when the Department for Education approved the New Model in Technology and Engineering in my constituency. That was the first new university in this country for 40 years, and

it is a specialist tech and engineering institution that focuses specifically on a 50:50 gender balance, open access, and the kind of empowerment that is characteristic of social mobility around the country. It will make a huge difference not only in Herefordshire, where social mobility is much lower than it should be, but elsewhere around our nation.

The Government have invested in 12 coastal, urban and rural opportunity areas, where young people face entrenched challenges, to bring together local and national partners to work with local communities and bring about lasting change. Education must ultimately equip young people to make a successful transition into employment and life as a whole. Employment is obviously important, and people should have choices as they reach adulthood. That is why technical education is so important. The transformation is now under way through T-levels, which will mean that young people have the knowledge to get the highly-skilled, well-paid jobs of the future, and through continuing work on the apprenticeship programme, which will try to create more diverse opportunities; over 1.7 million people have started apprenticeships since 2015. As my right hon. Friend will be aware, in higher education we have record rates of disadvantaged 18-year-olds getting into university. There has been an increase in the take-up of degree apprenticeships, and we have been specifically encouraging bids to improve access to degree apprenticeships for disadvantaged and under-represented groups.

Skills remain of vital importance later in life, particularly in a 21st century in which people will be regularly re-skilling and re-educating themselves. The Government fully fund all adults to take English and maths to level 2, and from 2020 they will be funding basic digital skills. They are also establishing a national retraining scheme to support those in work, including the self-employed, to develop the skills that they will need to thrive in the new economy. To that end, the Government have pledged £100 million in funding to get the scheme up and running.

Let me pick up some of the questions raised by Members in the debate. The hon. Member for Strangford (Jim Shannon) rightly stressed the importance of sexual equality across social mobility and highlighted the complexity of the benefits system as a potential impediment to change. He is absolutely right about both those points. He may have misread the proposals in the Augar review. It is an independent report the purpose of which is not to diminish social mobility but to enhance it; it needs to be read as a whole. If the hon. Gentleman looks at the members of the panel who commissioned the report, he will see that they are all deeply committed to improving social mobility, not just through this report but in their wider lives and work.

The hon. Member for Glasgow Central (Alison Thewliss) gave a more combative speech. I remind her that the Treasury is the product of cross-party evolution; whatever its weaknesses, they are the product of historical processes. It may require radical change—I will come to that question later—but the suggestion that it is not an institution with its own ethos that has developed over many years and generations is one that any Treasury Minister would contest. If the Scottish Government are unhappy with the fiscal arrangements that they have with the UK as a whole, it is up to them to raise taxes themselves, using the new tax powers they have, and to spend that money as they see fit.

The hon. Lady was dismissive of the Government as regards inequality in different ways, including in education. I remind her that Scottish higher education policy has been regularly criticised for being regressive, that Scottish schools performed worse than ever in the Programme for International Student Assessment scores for 2016 and that it may be worth her while looking at the Scottish Government's own record before raising these issues more widely.

Alison Thewliss: The Minister is quite wrong in what he says; I ask him to correct the record, or at least to show his working. For the first time, more than 30% of pupils left school last year with a minimum of five Higher passes at a higher level, which is up from 22.2% in 2009 and 2010. The gap between those in the most and least deprived areas achieving a pass at higher level has reduced for the eighth successive year. The Scottish Government have made huge progress on education, in vast contrast to what is happening in England.

Jesse Norman: The hon. Lady misunderstood what I said. I said that the Scottish Government had been regularly criticised for having a regressive higher education policy. There is some evidence for that.

Alison Thewliss: That is not true.

Jesse Norman: It certainly has been; if the hon. Lady looks at the record, she can see that. I also pointed out that Scottish schools had performed worse than ever before in the PISA rankings in 2016. She can check that; it is an objective fact, not a matter for debate. She is entitled to her views, but not to the facts.

The Opposition spokesperson, the hon. Member for East Ham—I apologise, I mean the hon. Member for West Ham (Lyn Brown); I am sure many footballers will not thank me for that. The hon. Lady mentioned table tennis tables; having been a director of the Roundhouse in London for many years, I know the value of local social involvement and engagement. I agree with it, and the Government have invested significantly in it. She seems to have forgotten that the Government will have spent almost £6 billion in 2019-20 on childcare, which is a record amount. They have doubled the amount of free childcare available for working parents of three and four-year-olds to 30 hours. The Government have a tremendous record in this area in many ways. I am glad she mentioned table tennis tables; I was playing at a free table tennis table, provided through public funding, only last weekend, in the village of Little Dewchurch in my constituency.

Lyn Brown: Will the Minister give way?

Jesse Norman: I am sorry; I have no time. If the hon. Lady had spoken for less time, I would have had more time to respond.

I will respond to the question raised by my right hon. Friend the Member for Putney. It is a very interesting attack, not just on the Treasury but on the model of Government that we have in this country. It deserves to be taken with the utmost seriousness. The point has often been made before, although not quite in the same terms. Historically, there is a tension in British Government between the Treasury as a finance ministry and the Treasury as an economics ministry; that is well understood.

My right hon. Friend's concerns about short-termism in public policy making are also criticisms that have often been made. The extent to which this Government, their immediate predecessor and the one before that, have taken steps to attempt to ameliorate and address some of these issues is interesting. For example, we now have multi-year funding strategies for road and rail infrastructure, which we did not have before; there is a separate independent economics ministry, the Department for Business, Energy and Industrial Strategy, which is specifically designed to provide an economic counterpart to the Treasury; and, other steps have been taken to try to combat embedded institutional concerns about short-termism in public funding. Undoubtedly, there is more to do. The criticisms have weight, as has been shown by the responses that the Government have made; it is a point that the Government have well taken and are making significant progress.

There is an embedded tension between the desire for longevity in funding and the desire for democracy. If we lived in China, we would operate according to a 100-year economic plan; we cannot do that because this country has always been bound by the principle that no Government can bind their successors. It is right that we should try to build more longevity into public policy; I have touched on some of the ways in which that can be done, but I have no doubt there are many areas in which it can be done better. This embedded tension between cash constraints, managing the public exchequer, the democratic accountability of Ministers and long-term funding is one that will not be removed by abolishing the Treasury.

My right hon. Friend said that no company would ever see a contradiction between the chief executive and the financial director; I think she is mistaken. There are many companies in which the chief executive would like to spend money and the finance director, in league with the chair, prevents him from doing so. There have been many points in British government when that has been true. It is often true in a Labour Government, when the wisdom of having an independent Treasury, with a degree of control over public finances, stops a Labour Government from thoroughly spendthrift public spending policies. I close by saying that I encourage my right hon. Friend to be careful what she wishes for.

10.58 am

Justine Greening: It has been interesting to hear people respond to the stark points that I deliberately made. There is more consensus on how we ought to approach investment than some of the politics suggest.

There is a tension between the fact that we really ought to be investing over the lifecycle, but in the end the electoral cycle drags our view to a more short-term basis. If Government and democracy are there to deliver for people, then we have to start addressing these issues. That does not mean removing the choice of politicians; it means helping the public understand when short-term politicians are taking decisions that have long-term costs, which the public may not want to bear.

I represent the constituency with the youngest demographic in the country, alongside Battersea. The average age of a voter in Putney is 37 to 38. Many people in my community think change is too slow. They want to see a more sophisticated strategy than, dare I say, the one that the Opposition set out. If throwing money

[Justine Greening]

could buy us out of the problem of weak social mobility, then the previous Labour Government would have fixed it. Clearly, it is more complex than that. We need an improved framework for investment, fiscal rules that unlock social mobility and an approach to Government finance that supports smart, long-term strategies. I am talking about a political philosophy that is ultimately driven by a belief in people and their potential, but that has to translate into practical change on the ground.

Motion lapsed (Standing Order No. 10(6)).

Hoover Pension Fund Deficit

11 am

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): I beg to move,

That this House has considered the Hoover pension fund deficit.

It is a pleasure to serve under your chairmanship, Mr Robertson. We are here to discuss the Hoover pension fund deficit, which was once a surplus of more than £100 million. Hundreds of former longstanding Hoover employees from my constituency and the surrounding area have faced appalling cuts to their well earned retirement money, and they deserve justice.

Like other prosperous UK pension schemes in the 1980s, the 1987 Hoover pension scheme, with 7,500 members, had a large surplus, which totalled £123 million in 1986. Changes to the pension scheme, withdrawals from the fund by Hoover to cover its financial difficulties, payments to the Government required by a short-sighted surplus tax implemented by the then Tory Government, and financial difficulties posed by the global financial downturn have resulted in the surplus shifting to become an overwhelming deficit. At the last valuation, in March 2016, it stood at approximately £500 million on a buy-out basis, and approximately £300 million with the Pension Protection Fund.

Hoover had long been in talks with the Pensions Regulator and the PPF to offload the deficit pension scheme, which it could no longer support without risking the company's insolvency and the loss of the remaining employees' jobs. The pension scheme is now transferred over to the PPF, after a regulated apportionment arrangement was agreed with Hoover, along with a 33% share in the business for the scheme, and a £60 million lump sum payment.

When the pension scheme entered the PPF, all Hoover employees in it who were still working and/or under the scheme's retirement age, stopped gaining benefits. The annual value of those employees' pensions, when they retire, was capped at the level for the scheme's retirement age, which is 65. Retired employees now receive 90% of either the actual annual value of their pension, or 90% of the pension level for their age, whichever is lower. Those who have already retired from Hoover and are older than the retirement age have not had a cap on their pensions, but only the part of their pension funds earned after 1997 will be index-linked with inflation, which means that people who worked all or most of their careers with Hoover before that date are losing income because of inflation.

Jim Shannon (Strangford) (DUP): As always, the hon. Gentleman is bringing an important issue to Westminster Hall. Does he agree that the fact that those still under retirement age could receive an immediate 10% cut in their pension pot, and that 7,500 members will be affected—5,319 pensioners and 2,184 who have deferred pensions—shows a need for the Government, and the Minister in particular, to step in and help not only those members but their families, who rely on the pension they paid into all their working lives?

Gerald Jones: I agree 100%. The hon. Gentleman outlines the fact that people yet to reach pension age will experience a 10% reduction, which will cause huge difficulty.

Unfortunately, the case of Hoover pensions is not an isolated one, and we have become used to hearing in recent months and years of cruel injustices suffered by former employees of British Coal, British Steel and BHS. The evidence also suggests that we are likely to see many more such cases in the future. Before I go into more detail, and pose questions for the Minister, I shall provide some background on the history of Hoover in Merthyr Tydfil and explain the financial background that has led to the unacceptable injustices that its former employees now face.

Hoover has been an important employer in Merthyr Tydfil and Rhymney for 71 years, since the Pentrebach factory was established in 1948 to make the well-known Hoover washing machine. Only about 300 people were employed at the factory when it opened, but over the following 20 years, because of product demand, the figure rose by the thousands. By the time of Hoover's 25th anniversary in Merthyr in 1973, more than 5,000 people were employed at the site, all contributing to the company's pension scheme. Counting the company's Glasgow plant, Hoover's British workforce once peaked at 16,500 people. At its peak, the Hoover factory was the largest employer in Merthyr Tydfil County Borough, providing much-needed employment opportunities for generations of local people formerly employed in the iron and coal industries for which Merthyr Tydfil is famous.

That proved to be the high point for the factory: in the 1990s, amid financial difficulties, Hoover was sold to the Italian manufacturer Candy, which over the next few years would decline to invest further in the company or its operations. Job cuts continued over the next 10 years and in 2009, 61 years after the factory opened, production stopped altogether. Since 2009, only 100 staff have remained employed at the Pentrebach factory, in the company's warehousing, distribution and sales operations. However, in May 2019 Hoover took the decision to move 45 jobs from Pentrebach to its headquarters in Warrington, in a move to centralise its operations, leaving only 60 posts, primarily in distribution, at the Merthyr Tydfil site.

I want to give some background on how the company's pension scheme arrived at the state it is in today. According to the Pensions Commission set up by the Labour Government in 2004, from 1974 until 2000 the average annual real return on UK equities was as high as 13%, with investments in pension schemes during that time allowing them to flourish and pension contribution rates to increase. However, by the early 1980s the Thatcher Government had become concerned that UK companies were using large contributions to their pension schemes to lower their liability for corporation tax during years of high profits. During that time of prosperous UK pension schemes, what the Conservative Government saw as surplus funds to be taxed in a period of high equity returns were, rather, risk barriers against years of low financial profit and the rising longevity of workforces, as well as a reserve for future workers' pensions.

The Finance Act 1986, passed by the Tory Government, required companies' pension funds to declare any surplus of 5% or more, and either remove it within five years or lose part of their tax-exempt status. Many companies made much lower pension contributions in the years after the 1986 Act came into law, but market returns during that time remained so positive that many companies still had large surpluses left in their pension funds. Various UK companies took pension contribution holidays

or looked to make improvements to their pension schemes to eliminate the surplus. It was no different in the case of Hoover, which in 1986 looked to wind up the existing pension scheme and replace it with a new scheme with improved benefits for members.

At that time Hoover had 5,500 employees in the UK, half of whom were based in Merthyr Tydfil, and the company's UK pension scheme had a surplus of approximately £123 million, as I have mentioned. It proposed to take £87 million from the surplus, of which £42 million would go towards improved pensions and £27 million to the company's general fund, with £18 million to be taken by the Conservative Government under the Finance Act 1986. In 1993, Hoover moved £16.8 million from the surplus to its general fund. It denied that it was being used to cover the £20 million in losses that it suffered from its infamous "free flight" sales promotion—when it promised two free airline tickets to customers who purchased more than £100 worth of products—but said it was for the general financial stability of the company. Hoover accordingly paid £11.2 million in tax to the Government, again under the terms of the Finance Act 1986.

During the 1980s and 1990s, therefore, Hoover paid the Conservative Government a total of £29.2 million. As I have explained, the terms of the Finance Act 1986 were established based on the average annual return on UK equities being 13%, as it was between 1974 and 2000. The Pensions Commission reported a considerably lower long-term average of just over 5%. The Government were incredibly over-optimistic if they assumed that 13% returns could continue into the long term. That is another classic example of the short-sightedness of a Government who placed the employer first, ignoring the employee, thinking only of short-term gain and completely neglecting the long-term potential impact of a policy on hard-working people.

I want to highlight the case of one of my constituents who has had to bear the brunt of this mess: Mr Phillip Little. Mr Little worked at Hoover in Merthyr Tydfil for 35 years, working at several departments and in various jobs across the company over a long and dedicated career. When he took his pension at age 55, he faced an immediate loss of 47%, resulting from payment holidays and Government and company withdrawals from the scheme in previous years, following the Italian company Candy's takeover of Hoover in the 1990s and its refusal to invest or contribute further to the company's pension scheme. Now, with the Hoover pension scheme being transferred to the Pension Protection Fund, Mr Little has had to suffer a further 10% reduction in the value of his pension due to the rules and caps, meaning he has taken a hit of 57% in total, losing over half the total value of his pension.

I think we would all agree that nobody should have to make do with less than half the pension they rightfully earned from their decades of hard work. Having been looking forward to retirement after 35 years with the company, Mr Little is devastated, and feels as though, in his words, he has been "mugged" three times over by company withdrawals from the pension scheme, payments to the Government and latterly the scheme's transfer to the PPF.

Mr Little is one of many hundreds of former long-standing Hoover employees in the Welsh valleys who have been told that the retirement money that they

[Gerald Jones]

worked for decades to build up has had to take yet another cut and that there is nothing they can do about it. They have had to sit and watch as the company and Government take money from what was once a surplus fund and is now in hundreds of millions of pounds of debt, and their well-earned retirement has been taken away from them.

I ask the Minister how his Government can justify this legacy of the short-sighted and irresponsible actions of the 1980s Thatcher Government, which imposed the 1986 Act on hundreds of UK companies' pension funds such as Hoover's, thinking only of short-term gain. Will the Government now do what is right by the many hundreds of people, such as Phillip Little, who have seen their pensions hit over and over, and repay them with the money they took from the fund under that Finance Act, so that these hard-working people can have the retirement that they deserve and that they worked for decades to build?

In Labour's 2017 manifesto, we committed to carrying out an immediate review of current pension surplus tax and sharing arrangements, since many of the people at companies across the UK affected by this, such as Hoover, British Coal and British Steel, do not have another private fund to fall back on. The Government must now follow suit. Will the Minister commit to at least reviewing these arrangements, and to giving justice to the many former Hoover employees in my constituency who have been robbed of the pensions they worked to build and on which, having left the workplace, they now depend?

11.12 am

The Parliamentary Under-Secretary of State for Work and Pensions (Guy Opperman): I congratulate the hon. Member for Merthyr Tydfil and Rhymney (Gerald Jones) on his speech, and the hon. Member for Strangford (Jim Shannon) on his intervention in this debate. It is a pleasure to serve under your chairmanship, Mr Robertson.

I accept entirely that this is a sensitive and important matter that the House should debate in the context of the long-term viability of defined-benefit schemes—a matter of concern to the House and to our individual constituents up and down the country. In this particular case, we are concerned with the constituents of the hon. Member for Merthyr Tydfil and Rhymney and the members of the Hoover pension scheme, who feel very strongly about this issue. I hope that I will be able to reassure hon. Members that the Pensions Regulator has done everything in its power to achieve the best possible outcome within the current legislative framework.

I will start with defined benefit generally, and make the simple point that the majority of defined-benefit pension schemes in this country are run effectively. We are fortunate to have a robust and flexible system of pension protection in the United Kingdom. The Pensions Regulator, which is based out of Brighton and is obviously independent of Government—although I meet with it on a regular basis—has a range of powers to protect pension schemes and works closely with all involved.

For schemes where the employer goes insolvent, the Pension Protection Fund is there to help to protect the members. Anybody already in receipt of their pension will continue to be paid and other members will receive

at least Pension Protection Fund compensation levels. However, we are in the process of reviewing the defined-benefit system; the hon. Gentleman will be aware of the defined benefit White Paper issued a little while ago and the proposals put forward for a future private pensions Act, which we hope to bring forward in this House in due course.

In respect of the Pension Protection Fund itself, I want to ensure that hon. Members fully grasp that the Pensions Regulator has done everything in its power as an independent regulator to achieve the best possible outcome for scheme members. The employer, the Pensions Regulator and the Pension Protection Fund have considered different solutions to address the scheme's funding deficit. On 31 March 2016, that deficit was approximately £500 million. Given that that funding deficit was putting the solvency of the company and its pension scheme members at risk, the Pensions Regulator intervened.

Turning to the Pensions Regulator's intervention, on 30 May 2017 it approved a proposal by the 1987 Hoover pension scheme. The approved plan, known as a regulated apportionment arrangement, helped to secure the future for UK employees and gave protection to the pension scheme. The Pensions Regulator agreed to the regulated apportionment arrangement only after ensuring that Hoover had met its very strict criteria. The agreed arrangement between the company and the Pensions Regulator secured a £60 million payment from Hoover into the Pension Protection Fund in May 2019. That lump sum is significantly higher than what it would have received had Hoover fallen into insolvency. In addition, as part of that arrangement the pension scheme would also receive shares representing a 33% stake in Hoover.

That balanced approach addressed the need to protect scheme members' pensions while preserving jobs in the sector and in the hon. Gentleman's constituency—a matter that I know he is passionate about. The trustees of the scheme acknowledged that it secured a significantly better outcome for the pension scheme than it would have received through the normal insolvency process, and the best achievable solution for the pension scheme given the circumstances.

Matters proceeded, and I will address the protection for pension scheme members. The Hoover pension scheme left the Pension Protection Fund assessment period and transferred into the Pension Protection Fund itself in May 2019. The hon. Gentleman will be aware that the Pension Protection Fund is effectively an independent lifeboat. It is a fund established to provide a meaningful level of compensation to members of private sector occupational defined-benefit pension schemes who have lost their pension as a result of employer insolvency or impending insolvency.

Crucially, the Pension Protection Fund is funded by a levy on all other defined-benefit schemes. The framework under which the Pension Protection Fund operates means that favouring any one group will place a corresponding burden and risks on other levy payers and Pension Protection Fund members. I accept that the hon. Gentleman sought to persuade me that we should make radical change to the Pension Protection Fund as a whole, but he and I need to agree something: the previous Labour Government, who were in charge between 1997 and 2010, had opportunities to correct many things, and one of the corrections they made was the creation of the Pension Protection Fund.

We must have a very robust discussion that makes it clear that, were the Pension Protection Fund not in existence, the situation for any scheme member facing this situation would be considerably worse. The Pension Protection Fund, set up in 2005, has transformed the landscape for many people who would otherwise have been left desperately vulnerable and considerably impoverished. It pays a guaranteed level of compensation that was not previously available to pension scheme members in similar circumstances.

Pension Protection Fund compensation guarantees 100% protection to members who are over their scheme's normal pension age at the date of the employer's insolvency or to members under normal pension age who retired on ill-health grounds. All other scheme members are paid compensation based on 90% of their pension, subject to a cap.

The Pension Protection Fund is largely seen as a success across all Governments, with respect, and has received strong cross-party support. While the hon. Gentleman is clearly right to champion his constituents' cause, it is right that the House should celebrate the fact that, without the Pension Protection Fund, things would be considerably worse. Setting it up was a success of the last Labour Government, and it has been endorsed and supported by all other Governments since.

Gerald Jones: I appreciate the Minister's point about the Pension Protection Fund and how different the situation would have been had it not intervened. However, the central point I was trying to get across was whether there is any opportunity to review the position of surpluses taken under that Finance Act by a previous Conservative Government, maybe not to fully reinstate what the pensioners have lost but to go some way towards defraying some of the difficulties that pensioners now face, in my constituency and beyond.

Guy Opperman: I will answer that with three points. The first is slightly political but has to be made, given the way that the hon. Gentleman put his case. There was an opportunity between 1997 and 2010 to make such a reform if that Labour Government wished to.

However, perhaps it would be appropriate to explain why we got into this situation. Clearly, this is a tax issue. The hon. Gentleman will understand that I am answering on behalf of the Department for Work and Pensions, but I will endeavour to do my best impersonation of Her Majesty's Treasury and address this. The Treasury's view is that the Finance Act 1986 addressed what were then considered to be excessive pension scheme surpluses, as there was an absence of clear rules on how surpluses should be dealt with. Pension schemes with funding in excess of a certain amount could reduce certain surpluses in a number of ways, including by suspending employer or employee contributions, making taxable payments back to the employer, improving member benefits or providing new benefits to members.

It was entirely a matter for the trustees and employers to decide which method of reducing the surplus to use. If, and only if, they chose to make a refund, the employer was liable to tax at 40% of the amount refunded, so as broadly to recover the tax relief previously given. Those laws on pension scheme surpluses were repealed in 2006, with the introduction of a new pensions tax regime. As to whether the Government can commit to

reviewing the terms of the Act and possibly returning the money to the schemes, Her Majesty's Treasury is clear that it is right and fair that everyone, whether individuals or businesses, must pay the tax that is due.

Before 1986, some employers could use surpluses as a way to avoid tax. They could pay contributions into the pension scheme and receive tax relief, then apply for a return of a surplus. There were no provisions for tax repayments on the return of a surplus. The 40% tax on a return of surplus was introduced in 1986 so as to broadly recover the tax relief previously given. It was not mandatory to return the surplus; a company could instead have a contribution holiday or improve member benefits.

To answer the hon. Gentleman's point, it is not Her Majesty's Treasury's present intention to reform or reinstate anything relating to the situation under the Finance Act 1986, as he sought to persuade me to do. However, I will briefly explain the changes to improve scheme funding. The Pensions Regulator can track pension scheme funding and will react appropriately when there is a large funding deficit. The scheme funding measures proposed in our White Paper will ensure that trustees put in place a more robust plan to ensure that the statutory funding objective is achieved. We intend to use new and existing powers to be clearer in legislation about what is an appropriate length for the recovery plan when there is a funding deficit.

We will take steps to require trustees to explain to the Pensions Regulator their funding and investment strategy, how they intend to mitigate risks to the scheme funding position and how they are complying with funding standards in legislation. The changes are intended to support trustees in their decision making and to strengthen the Pension Regulator's enforcement regime, to protect members, sponsors and the Pension Protection Fund from future shocks or events such as these. The system will retain some flexibility to ensure that sponsoring employers can balance their obligations to the pension schemes with business needs. The reality is that the Pension Protection Fund is a significant organisation with more than £30 billion of assets and responsibility for more than 236,000 pension scheme members, more than half of whom are current pensioners. It is able to cope with these schemes.

However, the hon. Gentleman and the hon. Member for Strangford, who has now left the Chamber, made points in respect of other cases, including British Coal, British Steel, BHS and others. I will return to those before I finish, because while the constituents of the hon. Member for Merthyr Tydfil and Rhymney would like to receive 100% of whatever they thought they were going to receive—no one disputes that—without the changes that successive Governments have brought in, their position would be considerably worse.

The reality of the situations that the hon. Gentleman outlined is that the difficulties that those companies have got into have been addressed, by and large—there have been some tweaks or changes to the way they have been treated, particularly in respect of British Steel—by the Pension Protection Fund stepping in, by way of introducing a levy on the defined-benefit schemes out there and ensuring that a substantial payment is made from a pension that otherwise would have been lost under the old law. That has been addressed by successive Governments. Clearly this is a matter of great import to

[Guy Opperman]

his constituents, and I thank him for bringing it to the House. I hope I have addressed some of the points raised.

Question put and agreed to.

11.26 am

Sitting suspended.

Imprisonment for Public Protection

[SIR EDWARD LEIGH *in the Chair*]

2.30 pm

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): I beg to move,

That this House has considered imprisonment for public protection.

It is a pleasure to serve under your chairmanship, Sir Edward. Sentences of imprisonment for public protection are an often overlooked part of our criminal justice system, despite their huge impact on those prisoners continuing to serve them. They were intended to protect the public from serious offenders and ensure that dangerous violent and sexual offenders stayed in custody for as long as they presented a risk to society.

Under the IPP regime, offenders given an IPP sentence were set a minimum term that they had to spend in prison, but unlike with most other sentences, there was no upper limit, meaning that once the minimum tariff had been served, the offender must apply to the Parole Board for release. Only if the Parole Board is satisfied that they are not a danger to the public can someone serving an IPP sentence be released. Release is therefore not automatic, and if the Parole Board is not satisfied that someone serving an IPP sentence has demonstrated that they no longer pose a risk, the prisoner can remain in custody indefinitely.

I have discussed these concerns with colleagues, including the shadow Secretary of State for Justice, my hon. Friend the Member for Leeds East (Richard Burgon), who also realises the gravity of this important issue and how it impacts on so many families. That is why I applied for the matter to be debated by right hon. and hon. Members in Parliament.

John Howell (Henley) (Con): The point that the hon. Gentleman has just made is very important. This issue has a big impact on families. I do not think we should lose sight of that as the debate proceeds. The other point is that the number of prisoners who self-harm during these sentences is much higher than the number across the rest of the prison population. Does the hon. Gentleman agree that those two factors should play a part in his thinking?

Mr Dhesi: With great eloquence, the hon. Gentleman has highlighted two of the key reasons why this debate is so important. I concur fully with his views.

In many cases, IPP sentences that had shorter tariffs, of less than two years, have become in effect a life sentence as people have been stuck in limbo, unable to prove that they no longer pose a risk, often for reasons beyond their control. For those IPP-sentenced prisoners, the sentences did not work as intended and instead have become an unfairly punitive aspect of our criminal justice system. I would like to focus my remarks today on those prisoners, as it is those on the shortest tariffs who have experienced the injustice.

Why were IPP sentences abolished in the first place? Although designed to protect the public from serious offenders, IPP sentences were in reality handed down for a far broader range of offences than was intended. They were handed down at the rate of more than 800 a year, moving thousands of people into prison indefinitely. That led to offenders who had committed more minor crimes facing a short tariff but an indefinite sentence.

The Prison Reform Trust published late last year a report that showed that more than half of prisoners still serving an IPP sentence had a tariff of four years or less and 15% had a tariff of less than two years. Custody and imprisonment should be used as a last resort; and indefinite custody, with no fixed end, should be used only where a very serious offence has been committed. I fully appreciate that there are cases in which individuals have committed heinous crimes against humanity and therefore the local communities are extremely concerned about the prisoner's release. One such case was highlighted to me by the Under-Secretary of State for Exiting the European Union, the hon. Member for Worcester (Mr Walker). He and his predecessor in that seat had both worked with the local community to highlight their very serious concerns about someone who had killed three children and impaled them on railings after murdering them in their home.

However, I am most concerned about the non-serious cases wherein someone is sentenced to a short sentence but ends up being imprisoned for years on end. Where people are safe to be released, we should not be keeping them in custody to serve many multiples of their tariff for the crimes that they have committed. That stands against the principles of natural justice, on which our justice system was founded. The more widespread use of IPP sentences than was intended has also led to a number of instances in which offenders who committed the same offence in the same context were handed sentences such that one offender could be expected to spend a lot longer in prison.

Even the author of IPP sentencing, David Blunkett, acknowledges that this was a flawed policy. Lord Blunkett has noted:

"The consequence of bringing that Act"—
the Criminal Justice Act 2003—

"in has led, in some cases, to an injustice and I regret that".

In 2012, the Government rightly took the decision to abolish sentences of imprisonment for public protection for offenders, meaning that that option was no longer available to judges. However, although that was the right decision, the issue remains of what to do to address the situation of those who are currently serving an IPP sentence.

Ellie Reeves (Lewisham West and Penge) (Lab): My hon. Friend is right to recognise that these sentences have now been abolished. The Parole Board previously aimed to get the IPP prisoner population below 1,500 by 2020, but the latest figures show that the number of people still serving IPP sentences is above 2,400. Given that these sentences have actually been abolished, does my hon. Friend agree that those who are continuing to serve them should be re-sentenced under the rules that exist at the moment?

Mr Dhesi: With great telepathy, I, too, will be referring to the Parole Board and the statistic that my hon. Friend has very ably highlighted. I fully agree with her.

As I said, the issue remains of what to do to address the situation of those currently serving an IPP sentence. That is the issue that the current Government have to grapple with. The problem remains a real one for the prisoners, for their families, for the justice system and for wider society, which needs to have confidence in a justice system that rehabilitates people and is fair and proportionate.

Let us examine the continued use of IPP sentences. On 31 March 2019, as my hon. Friend the Member for Lewisham West and Penge (Ellie Reeves) has highlighted, 2,403 prisoners were still serving an IPP sentence and had yet to be released, despite the abolition of these sentences more than seven years ago. Of those prisoners, nine out of 10 have already served the minimum tariff that was handed down to them by the judge at their trial. A large proportion of those still serving an IPP sentence after surpassing their original tariff were initially sent to prison to serve a short tariff. Of the close to 400 people on an IPP sentence with a tariff of less than two years, more than half have served nine years, or more, beyond their original tariff. That is a travesty.

My hon. Friend the Member for Stretford and Urmston (Kate Green), who cannot be here today, has informed me that a recent parliamentary question that she tabled has revealed that there are currently 46 women on IPP sentences, yet the Ministry of Justice does not know how many of those women have children. Given that that is such a low number, and given that the impact of mothers' imprisonment on children is well documented, I believe that that is a shocking admission. The Parole Board predicts that unless changes are made to the situation faced by IPP prisoners, there will still be 1,500 people in prison serving an IPP sentence by 2020.

To illustrate the issues faced by people still serving IPP sentences, I shall draw attention to some particularly tragic examples of the effect that the indefinite nature of IPP sentences can have on those people sentenced to them.

Jeff Smith (Manchester, Withington) (Lab): Just before my hon. Friend highlights his examples, I will raise the case of my constituent, Wayne Bell, who has had a mental health crisis and is now unable to engage with the parole process. Given that a study a few years ago showed that one in 10 IPP prisoners was seeking psychiatric help in prison, which is double the rate for the normal prison population, does my hon. Friend share my concern that these prisoners can easily get into a downward spiral? They have a mental health crisis and are not able to engage with the parole process, and that makes them more depressed. There is no way out of that downward spiral for them; there is no ability for them to resolve their situation.

Mr Dhesi: My hon. Friend's excellent point encapsulates the mental health issues and the intertwined nature of what we are discussing. I will elaborate further on the mental health problems faced by prisoners.

In 2009, Tommy Nicol received an IPP sentence with a minimum four-year tariff for stealing a car from a mechanic's garage and injuring a man's arm in the process. Once his tariff was completed, the Parole Board refused his request to be released and told him he should access a therapeutic community, in order to address his mental health issues and become safe to be released.

Tommy's mental health suffered as he was repeatedly denied access to mental health treatment courses. He was moved to prisons that did not even offer those courses, making proving that he had been rehabilitated increasingly difficult. In November 2014, he made a formal complaint saying that IPP sentences were a form of "psychological torture". Around that time, he also began to self-segregate and went on hunger strike. His

[*Mr Dhesi*]

behaviour became increasingly erratic as he understandably struggled to deal with the psychological impact of his situation. Tommy tragically took his own life in prison in September 2015.

James Ward was given an IPP sentence in 2006 with a tariff of only one year for setting light to his mattress while in prison serving a fixed sentence for a fight with his father. He ended up serving not one year but 11 years.

Victoria Prentis (Banbury) (Con): Does the hon. Gentleman agree that the case of arsonists is often serious in the IPP sentence structure? Because of the links between arson, sex offending and reckless behaviour, arsonists have been disproportionately affected.

Mr Dhesi: The hon. Lady ably makes the point about arsonists who end up serving a lot longer than they should. It is not fair.

During those 11 years, James Ward regularly self-harmed and his mental health deteriorated significantly. He has since spoken out about the damage that the IPP sentence did to his mental health, telling the “Today” programme:

“Prison is not fit to accommodate people like me with mental health problems. It’s made me worse. How can I change in a place like this? I wake up every morning scared of what the day may hold.”

IPP sentences leave prisoners in limbo, with a lack of access to courses and treatment. Those cases show how much more needs to be done to address the issue faced by those serving IPP sentences. They also highlight a particular issue for IPP-sentenced prisoners, namely being unable to complete the courses that the Parole Board has told them will help to demonstrate that they are safe for release. That is partly because we face an increasingly violent and overcrowded prison system, where there are simply not enough places on development courses and therefore not enough opportunities for short-tariff IPP-sentenced prisoners to demonstrate that they no longer pose a risk.

There are other problems, which are easier to fix. For example, the families of IPP-sentenced prisoners have said that prisoners are prioritised for places on courses based on how close they are to their release date. Because IPP-sentenced prisoners do not have a fixed release date, they fall to the back of the queue and can struggle to ever get on the appropriate courses. I would be grateful if the Minister provided an update on what is being done to address that issue.

IPP sentences have a huge impact on prisoners’ mental health, as they would do on anyone locked up and deprived of their liberty with no end in sight. They create a sense of despair and hopelessness, which can have a significant impact on an individual’s mental health. This is demonstrated by the fact that IPP prisoners are significantly more likely to self-harm than determinate-sentence prisoners and even life-sentence prisoners, which is an amazing statistic. This is borne out by numerous reports, such as those by the Prison Reform Trust, the Sainsbury Centre for Mental Health, the Howard League for Penal Reform and the Institute for Criminal Policy Research at King’s College London.

Her Majesty’s inspectorate of prisons found that IPP prisoners were significantly more likely than life-sentence or determinate-sentence prisoners to have arrived in

their current prison with problems, including feeling depressed and suicidal. Mental health issues are already endemic in our prison system, with at least one in three prisoners reported to have mental health issues by Her Majesty’s inspectorate of prisons reports. The real figure is likely to be greater.

Instances of self-harm are already too high, with 55,598 in 2018 alone. We need a comprehensive and fully-funded strategy for the reduction of all forms of violence in prison, including self-harm, and that must include special support for those on IPP sentences. Will the Minister outline what special provision is made to tackle the mental health conditions of IPP prisoners, especially those with shorter tariffs, who have served way beyond their tariff and probably never expected to be in this situation?

Another issue that affects the prisoner’s ability to rehabilitate and turn their life around is recall. When an IPP-sentenced prisoner is released, they are released on licence, with strict licence conditions that must be followed. Breaching those conditions can result in recall to prison. In many cases, that is a correct and appropriate response, but there are cases where technical breaches—for example, missing a probation meeting due to unforeseen illness or travel delays—have resulted in recall to prison. The excessive use of recall to prison for minor breaches of licence has contributed to the number of IPP prisoners remaining in prison staying stubbornly high. Families of those serving IPP sentences have called for a more reasonable approach to recalls to be taken, to ensure that only those breaches that suggest that someone poses a risk should necessitate the deprivation of an individual’s liberty.

Minor breaches of licence conditions are often not crimes in and of themselves, but simple things, such as missing appointments and breaching administrative conditions. The ex-head of the Parole Board told of offenders sent back to prison for turning up drunk at their bail hostel, even though that presented no risk to anybody. Repeated recall to prison while on release on licence also prevents an IPP prisoner from securing housing and holding down a job, both factors that are proven to reduce reoffending rates. Indeed, 936 people on IPP sentences were released by the Parole Board in 2017. In the same year, 543 people on IPPs were recalled. This is a complex and serious issue that will be tackled only through proper co-ordination between the Ministry of Justice, prisons, probation services and the police. Will the Minister outline his Government’s strategy to tackle the issue of recall?

The only way that an IPP prisoner can finally be entirely released from their sentence is to apply to the Parole Board, 10 years after their release from custody, to have their licence ended. Many experts and campaigners have rightly pointed out that this is simply too long and sets people up to fail. Does the Minister have plans to amend this?

Before concluding, I will highlight the impact of IPP sentences on our justice system. Such sentences do not just have a detrimental impact on the mental health and stability of offenders, both while in prison and during release on their extraordinarily long licences; they are detrimental to the efficient running of the prison and parole systems. The Parole Board has historically heard the cases of offenders given longer sentences than those who were subject to IPP sentences, but is now forced to conduct a lengthy risk assessment process for short-tariff

offenders on IPP sentences. There is also no doubt that the rapid increase in the number of prisoners on IPPs contributed to prison overcrowding, which continues, despite the abolition of IPP sentences, because many IPP sentence prisoners face difficulties in demonstrating that they are safe to be released.

The prison population has risen significantly since 1994, especially following changes to minimum sentences since 2000. The UK now has the highest imprisonment rate in western Europe, with 141 prisoners per 100,000 of the population. Our prisons are often dangerously overcrowded, with many prisons operating at significantly over their certified capacity. Such overcrowding has a detrimental impact on safety, which has deteriorated considerably under this Government; prisons are substantially more violent than in the past. Overcrowding has also had an impact on the ability of prisons to rehabilitate offenders effectively; Her Majesty's inspectorate of prisons has repeatedly raised it as an area of concern because it affects the resources available to reduce reoffending.

It is now time for IPP sentences to be resolved. Continued calls for further change—including from former Justice Secretaries, from Her Majesty's chief inspector of prisons and from the chair of the Parole Board—have focused on the unfairness for prisoners who are still serving IPP sentences and on the challenges that they create for the prison system. Abolishing new IPP sentences was the correct course of action, but there is still more to be done to address the issues that face those who were sent to prison for a short tariff that has effectively turned into a life sentence.

The families of those on IPP sentences are making proposals that may well offer a way forward. For example, Donna—the sister of Tommy Nicol, who I referred to earlier—is now campaigning for reforms to the system that prisoners on IPP sentences face. She has called for the sentences of those who are serving initial tariffs of four years or less, as her brother was, to be converted to fixed sentences. Is the Minister looking at that? There are many suggestions for reforming these outlawed sentences to ensure that public safety and justice is served. Suggestions from the criminal justice reform sector include converting IPP sentences to fixed-length sentences, starting with shorter tariffs, and protecting the public with minimum licence periods.

The Government need to finish the job that they started. Their challenge now is to lay out how they will ensure that this wrong is finally righted. Until it is, it will remain a stain on our justice system.

Several hon. Members rose—

Sir Edward Leigh (in the Chair): Order. I am anxious to get everyone in, so could all colleagues keep an eye on the clock and speak for no more than six or seven minutes each, please? I call Victoria Prentis.

2.52 pm

Victoria Prentis (Banbury) (Con): Thank you very much, Sir Edward, for calling me first. Owing to unavoidable complications at home, I will have to leave early; I apologise to both Front Benchers that I will not be present for the summing up, but I look forward to reading what they have to say. IPP sentences are an issue on which I have long campaigned and I would not have missed this debate for the world, so I am so grateful to you for allowing me to take part.

It is a great pleasure and honour to follow the excellent speech of the hon. Member for Slough (Mr Dhesi). He has said almost all that needs to be said, so I do not think that colleagues will have any difficulty in keeping to the time limit that you suggest, Sir Edward. He is right, and he fairly said that both sides of the House have been at fault on this difficult issue.

IPP prisoners and their families were the victims of fairly catastrophically bad policy making in the first place. When that was seen and, to my great delight, the system was changed in 2012 by those of us who were then in power—not that I was at the time, directly, but I was a civil servant working in the field—a residue was left because the changes were not made retrospective. As the hon. Gentleman said, that has left the fate of these people as a stain on our system. They are the victims of poor policy making, but also of enormous churn at the Ministry of Justice.

As ever, it is a great pleasure to see my dear friend the prisons Minister in his place. I hope that he will be allowed to stay in post long enough to sort out this matter and several others—including children's criminal records, about which I will talk to him later. It is very important that we get on quickly with the reforms that my right hon. Friend the Member for Surrey Heath (Michael Gove) posited when he appeared before the Select Committee on Justice in July 2016. In answer to my fairly brusque questions about whether he would

“consider changing the release test or other legislative change”

to help IPP prisoners, he told me that he was “actively considering” it. Unfortunately, the following day he was moved on. That has been the picture of my attempts to get Ministers to engage with the issue over the past four years, so I very much hope that we will hang on to the present Minister long enough for him to do something about it.

The test for the release of IPP prisoners is very high. As Dr Harry Annison of Southampton Law School noted in written evidence to our Committee, IPP sentences fall

“little short of life imprisonment”.

As I said in my intervention earlier, I am particularly concerned about those convicted of arson offences. The Committee heard evidence about a man who was convicted for a minimum of 10 months in 2006 and was not released for 11 years. I also remember from when I was in practice an extraordinary case of an individual who had been convicted for setting fire to a pair of church curtains and was still in prison very many years later; the reasons and lifestyle that had led to the original offence really did not make him a continuing risk to society. The hon. Member for Slough has already spoken, as I am sure other hon. Members will, about the horrific despair of individuals in prison who do not know when they will be released. It is Kafkaesque, and it is not acceptable in our criminal justice system.

IPPs were used far more widely than was intended. They were often given to offenders who committed low-level crimes with very short tariffs of less than two years. They were handed out at an extraordinary rate when they were first introduced. They proved very difficult to understand, they left victims and families uncertain about how and when people would be released, and they have led to real inconsistencies in sentencing. The sentence created its own complexities that were not

[Victoria Prentis]

fully foreseen when it was conceived. The test for release was set at a very high threshold, which has led to real problems with mental health, suicide and self-harm; the hon. Gentleman has already gone into those, so I will not.

There is good news, however: since 2017, there has been a concerted effort by the Prison Service, the probation service and the Parole Board to progress cases. In 2017-18, the Parole Board ordered the release of more than 900 IPP prisoners, including the re-release of some who had been recalled. The hon. Gentleman asked the Minister to go into recall in some detail; that is important across the Prison Service in general, and particularly with this cohort, for which there are real concerns about how the recall system is being used.

There is a great deal more to do. Immediate action could be taken, without legislative change, on treatment programmes. The Parole Board and prison psychologists have gone to enormous lengths to say that there are options other than treatment programmes that demonstrate the case for release, but boards remain very influenced by programmes that offenders have undertaken.

I am concerned generally about treatment programmes and their evaluation. We held up the sex offender treatment programme as a gold standard for many years, and then we got rid of it overnight and brought in new systems because it was proved not to work. I was interested by the response to a recent freedom of information request from Transform Justice, which showed that 95% of accredited programmes have no impact evaluation. I am really worried about the undue weight that boards are placing on programmes that have not been properly evaluated. The lack of provision of such programmes is effectively keeping people in prison without real evidence that it is the right place for them. May we please have urgent action, Minister, on treatment programmes and their evaluation, as well as real direction, so that we do not over-rely on programmes that have not been fully evaluated?

In the "Prison Population 2022" report, which the Justice Committee published in March, and in the Government response, which they very kindly gave us yesterday, there is a great deal of common ground between the Government and the Justice Committee. I am sure that my hon. Friend the Member for Bromley and Chislehurst (Robert Neill), the Chairman of the Justice Committee, will go into them further, but there are very good practical suggestions in the report from the Howard League and from the Parole Board itself on how to deal with IPP prisoners. I encourage the Minister to take all of them on board. However, I have to say that I, along with others on the Justice Committee, would go further. We think that these prisoners represent such a blight on our justice system that legislative change is the only way forward.

3 pm

David Hanson (Delyn) (Lab): I thank my hon. Friend the Member for Slough (Mr Dhesi) for his contribution in opening this debate.

I want to say something at the very beginning that I hope Members will regard as helpful. All those in prison under an IPP sentence are there because at some point they committed a crime and hurt a victim. We

should not forget that in this debate, because there are many people in prison for serious offences that have caused a great harm to people in the community. The question we are considering today is: how do we achieve a balance between punishment of those individuals for their offences and providing a helpful pathway to rehabilitation?

When it was introduced originally, the IPP sentence gave a minimum term, but also set out a series of conditions by which the risk that an individual who has committed an offence poses to society has to be assessed, in order for them to reach a standard that would allow them to be released back into the community.

Mr Gregory Campbell (East Londonderry) (DUP): I am glad that the right hon. Gentleman has zoned in on what should be the two central pillars of our justice system. Does he agree that wider society needs to see rehabilitation—the second pillar that he talked about—as one way to help to reduce the risk of reoffending, so that people can have more confidence in the justice system?

David Hanson: Absolutely. The hon. Gentleman—or my hon. Friend, as I will still call him in this case—makes a key point.

The key issue that I want to raise is this. Many IPP prisoners have passed the minimum tariffs—we have heard today the figure of 2,400 prisoners currently serving over-tariff IPP sentences and now, because of where we are in the timeline, many are serving severely over-tariff IPP sentences. There are many individuals for whom we need to find a pathway, to give them clarity and to enable them to reach a conclusion after they have served their minimum term and paid back to society, but we also need clarity about their rehabilitation and ultimate release.

Alex Chalk (Cheltenham) (Con): The right hon. Gentleman is speaking with his characteristic eloquence. Kevin Willis, a constituent of mine, has served 13 years in custody, which is the equivalent of a 26-year determinate sentence, after being sentenced to an IPP with a four-year tariff. As the right hon. Gentleman indicated, Kevin Willis committed a serious crime and deserved to go to prison. However, does the right hon. Gentleman agree that this kind of legal limbo, whereby Kevin has no idea when or even if he will be released, is unconscionable? Also, members of the public will find it hard to understand why some people serve only half the sentence that is announced on the steps of a court, while others seem to serve many multiples of their sentence. That is another problem that affects faith in the justice system.

David Hanson: I agree with the hon. Gentleman, in the sense that we have to assess the risk that an individual potentially presents to society. We have a minimum term; people have passed that minimum term; we now have an element of indeterminate sentencing, whereby risk is assessed and release happens when that risk is deemed to be sufficiently low for the prisoner to be released back into society.

I want to know from the Minister what assessment is being made of the current potential risk from the 2,400 prisoners serving IPP sentences, including 43 women. The reason they are still in prison is either that they have been moved from prison to prison and not been

tracked effectively, or the courses to help with their rehabilitation have not been made available, or they pose a risk because of the deterioration of their mental health while in prison or because of other issues, as my hon. Friend the Member for Slough said. What assessment has the Minister made of those prisoners, and how can he prove that there are pathways for each of those individuals? That is the key thing that I want to know from the Minister in this debate.

It seems to me that there are three clear pathways left for individuals with IPP sentences. Either we have a rehabilitation pathway that says, "These individuals need to complete these courses in order to reach a stage where the Parole Board can assess them to be a low risk to society and therefore eligible for release," or, if there is not a rehabilitation pathway, we might need to consider resentencing, so that there is a definitive end-date to their sentences, or the crime is such that, whatever current pathways are operational through rehabilitation, the end-date, which might be some years hence, needs to be reassessed and might take into account time already served. What we need for each of those 2,400 individuals is clarity about what their sentences will ultimately mean.

In the Justice Committee, we produced a report that indicates that we want to see that clarity, and we have said that we would like to see legislative solutions for both release and recall of indeterminate-sentence prisoners, to ensure sentencing certainty on this issue. Helpfully, the Minister of State, the hon. and learned Member for South Swindon (Robert Buckland), has this week published his response to our report, as has been mentioned. I want to complete my brief remarks by asking a couple of questions about the Government response.

In their response, the Government have said:

"We are committed to providing long-term prisoners with opportunities for rehabilitation, so they can demonstrate they can be released safely back into the community and we welcome the Committee's acknowledgement of our efforts to improve the progression prospects of IPP prisoners".

How many assessments have been made of those prisoners and what is the pathway for them? The Minister also said in his response that the Government

"are continuing to prioritise post-tariff prisoners in accessing rehabilitative interventions, including Psychology Services-led reviews, and enhanced case management for those prisoners with a complex set of risks and needs. We have also developed Progression Regimes at four prisons across the country".

How many prisoners currently on that list of 2,400 does that cover? The Minister has also said that the Government are

"progressing indeterminate prisoners struggling to achieve release via the usual routes."

With all the things that the Minister says he is doing in response to the Justice Committee's report, at what date does he estimate that the current number of 2,400 over-tariff IPP prisoners will be in a position to be forwarded to the Parole Board for assessment? *[Interruption.]*

The Minister looks quizzical, but that is a question that he needs to answer, because if he has an end-date, he needs a programme to get to it. He needs to assess those 2,400 individuals, see what courses they need to undertake, establish the elements of risk in those cases and determine whether those 2,400 individuals will reach a threshold for release. We accepted in our report that there are those within that 2,400 who might never be released because they may still pose a threat to

society. Nevertheless, that is still a time-pathway conclusion that the Minister and his Department can reach on an individual.

My simple plea is this: when and how? If resentencing is required to provide clarity, when will that happen? Ultimately, the key thing that I want from this debate is clarity, and that might mean a long time further in prison or a course to help to release somebody in due course, but clarity is needed.

Finally, I go back to where I started. We should not forget the victim of the original crime, and there should be some discussion and some conclusion as part of these pathways about victim management for those against whom the original crimes were committed.

3.8 pm

Robert Neill (Bromley and Chislehurst) (Con): As always, Sir Edward, it is a pleasure to see you in the Chair. I congratulate the hon. Member for Slough (Mr Dhesi) on securing an important debate on an important subject.

I am delighted to see the Minister in his place. He has had a long and distinguished career at the criminal Bar, so he will know, as well as any of us who have seen this type of sentencing in practice, that this is an unconscionable situation, which is the result of a policy in the past that was well intended but, frankly, an error. That error was corrected, but not corrected retrospectively, hence the decision reached by the High Court and the Supreme Court that they could not interfere with sentences that, at the time they were issued, had been lawfully given, as the then Lord Chief Justice, Lord Thomas, said. However, that does not remove the political and moral conundrum that faces us.

The right hon. Member for Delyn (David Hanson), a fellow member of the Select Committee, very fairly points out, as we accept in our Select Committee report, "Prison population 2022", that there will indeed be a number—perhaps a significant number, but I suspect not a majority—of IPP prisoners who are unlikely to be safe to be released in any significant period of time and perhaps never. I suspect they are a minority, but there will be some. Nobody has an issue with that, but certainty is important for them and for the victims of their grave crimes, so that they know that that will be the case.

Alex Chalk: In those circumstances, the defendants probably ought not to have been sentenced to an IPP in the first place, but to a life sentence. If that is the case, the correct thing is to put that right rather than continue with the fiction that they are on an IPP with a tariff that they have long since superseded.

Robert Neill: My hon. Friend is absolutely right. His experience at the criminal Bar leads him to the same conclusion as mine leads me to. Given that the situation is unacceptable for the reasons that have been highlighted by the right hon. Member for Delyn, and highlighted in detail by my hon. Friend the Member for Banbury (Victoria Prentis), my fellow Select Committee member, it is unacceptable that we should leave a situation in which some people are in limbo.

One such case was illustrated in our Select Committee report in evidence from the sister of an IPP prisoner who died after a self-harm incident in prison. That individual

[Robert Neill]

“often found himself in prisons that did not offer the specific type of rehabilitation he needed with no support or guidance on how to move to a prison that offered them. If there ever was a ray of hope with regards to this it was often lost owing to the lack of feedback on progress, the resource being changed or even closed down.”

That leads me to conclude, first, that we need to ensure that the prison regime offers proper rehabilitative and therapeutic offender management courses to those in a position to benefit from them. That requires a steady and stable regime within the prisons, which is not yet always the case in many institutions. Secondly, it implies a greater degree of monitoring of the specific needs of IPP prisoners to make sure that they are moved to establishments where courses are available. Thirdly, it means moving away from the current practice whereby IPP prisoners are very often not allowed to seek transfer to open institutions, which gives the Parole Board the difficulty of not having been able to test their behaviour and therefore the risk of reoffending in open conditions. The board has to take the difficult risk, in public perception terms, of either keeping those prisoners locked up perhaps needlessly or releasing them immediately without their having experienced open conditions. All that needs to be addressed.

The Parole Board gave evidence to us that certain mechanisms currently available to it could be made more use of. I urge the Minister to speak urgently to the chair of the Parole Board about speeding up, for example, the ability to prevent needless recall for technical reasons by, as has been pointed out, suspending the period of supervision after four years of good behaviour on licence—a specific and sensible proposal—and removing the cancellation of the licence after 10 years on licence. In many cases, that would be significantly more than the minimum term that they were sentenced to by quite a multiple. Those are sensible things that could be done.

Also, we have to grasp the nettle that, as Lord Thomas of Cwmgiedd rightly said, Parliament needs to grasp. We must either make resources available so that proper rehabilitation can take place or change the test for release. That would certainly need to be consulted upon, but it is something we need to set out because it has been very highly set at the moment. And/or we could change the statutory provision, as my hon. Friend the Member for Cheltenham (Alex Chalk) said, so that people can be re-sentenced under the current sentencing practice and procedures to a determinate sentence. In the worst cases, that will no doubt be life, or sometimes significant and at other times less significant determinate sentences, but the IPP prisoners, their families and the victims of the offenders will know precisely what the regime is and what the rules are that relate to the release.

That ought not to be too difficult to achieve. I cannot think for one moment that there would be opposition to that in any quarter of this House, were the Government to seek to find a legislative opportunity to introduce that. I earnestly urge my hon. and learned Friend the Minister—I know he is a reformer at heart and recognises the need to move these matters on—to make the case as strongly as he can within Government to find the time to take the fairly modest steps that would rectify an injustice that is a needless blot upon our system.

3.15 pm

Jim Shannon (Strangford) (DUP): I thank the hon. Member for Slough (Mr Dhesi) for securing this debate. I also thank the other Members who have made contributions.

I can fully understand the concerns that have been expressed today, and I am someone who firmly believes in the punishment fitting the crime. I have long had an issue with the release of sexual predators back into society. Indeed, there was recently an issue with an offender who had a long history of sexual offences in my constituency, who was repeatedly inappropriate with young children. The community carried out a citizen's arrest when he was caught in the midst of a lewd act. As a consequence of running away from a person walking by who witnessed the act, the perpetrator was injured. My point is that, had he not been released, it would have been better for the offender, who truly seems unable to keep himself under control, and most certainly better for the young girls who have had their innocence stolen and are unable to undo or unsee the acts that he carried out in front of them. I want to get that story in at the beginning, because I agree with the Members who said that the punishment must fit the crime. I am clearly of that ilk as well.

At the same time, we recognise the pressures on the prison and parole systems. Before they can be released, prisoners serving indefinite sentences have to demonstrate that they have addressed their offending behaviour and are no longer a risk to society.

On 21 June 2011, the day the Legal Aid, Sentencing and Punishment of Offenders Bill was published, the then Prime Minister, David Cameron, gave a press conference and said,

“we’re going to review the existing system urgently with a view to replacing it with an alternative that is clear, tough and better understood by the public.”

So there have been lots of requests for change. On 20 April 2016, the then Justice Secretary, the right hon. Member for Surrey Heath (Michael Gove), wrote to the Chair of the Justice Committee about prison reform. He said that although he had no current plans to change the statutory test for releasing prisoners after completion of the tariff, there were initiatives to help IPP prisoners to make progress towards release. There has therefore been much talk about this during the time that I have been in this House, and I suspect long before that as well.

I can fully understand the reason why such sentences were given, but I also understand that our duty of care to the prisoner means that we need to have rehabilitation in place to ensure that they can get back into the community if they are fit to do so. I am possibly from a generation that believes that there are consequences for actions, and the consequence of a sexual offence should mean curtailment of freedom, especially for those who seem likely to reoffend. We need to remember that it is not about a number on a page or a statistic, but about children: little boys and girls whose innocence has been stolen and who will battle with that loss all of their lives. It is not simply a matter of removing that person from their lives, but of learning to deal with the trauma and to trust again. Although we can never mete out enough punishment for them to get their lives back, we can prevent other children from having to go through what they went through.

When an offender commits a sexual offence, he or she needs to know that their actions will result in their removal from society until it is deemed safe for them to return to society, and even then it will not be without changes. No one can commit such offences and return to their life; it is irrevocably changed. To be honest, I feel little or no sympathy for them. My sympathy is reserved for the victims. We must be able to ensure that those who are likely to offend or present a danger are kept away from the vulnerable and from communities.

Do we need to change the system? Yes, we do. Do we need to make it more effective? Undoubtedly. Do we need to provide help and assistance to those who struggle with urge and impulse control? Definitely. Do we need to have a form of rehabilitation that truly prepares the inmate for the real world? Certainly. Are the vulnerable in the community the ones whom we must serve in any decision to release an IPP offender? Absolutely. There must be a bottom line in any change. I am sure that the Minister who will respond to the debate will consider that, when making any suggestions for change.

3.20 pm

Gloria De Piero (Ashfield) (Lab): It is a pleasure to serve under your chairmanship, Sir Edward. I congratulate my hon. Friend the Member for Slough (Mr Dhesi) on securing the debate and making a comprehensive, detailed and powerful argument about the injustices of what are supposedly short-term sentences.

There has been much agreement in the debate, so we await solid answers from the Government about the action they will take on this important issue. As my hon. Friend the Member for Lewisham West and Penge (Ellie Reeves) pointed out, there were 2,403 prisoners still serving IPP sentences, yet to be released, as of March this year, and 90% of them have already served the minimum tariff handed down by the judge at their trial.

We cannot say that enough has been done in the seven years since the change. As the Chair of the Justice Committee, the hon. Member for Bromley and Chislehurst (Robert Neill), put it, the policy has been corrected, but not retrospectively. That means that thousands of people are waiting in limbo, as their ability to imagine a world outside prison, and their chance of rebuilding their lives without reoffending, deteriorate. I was pleased that my right hon. Friend the Member for Delyn (David Hanson) made a point about balance. We should remember that the people in question have, to use his words, committed a crime and hurt a victim. The balance to be struck is between punishment for the offence and providing a pathway to rehabilitation.

The argument against IPP sentencing is clear, and the Government do not seem to disagree with us on that simple question of justice: indefinite custody with no fixed end should be used only for the most serious offences, where the public would be genuinely at risk. We have heard many examples where that was not really the case, and where relatively minor crimes are still being punished disproportionately with what some feel amounts to a life sentence. The Howard League for Penal Reform has said that

“this cohort of prisoners had particular difficulties with anxiety as they saw others who had been convicted of similar crimes after 2008 enter and leave prison while they were detained substantially beyond their tariff date.”

Where people are safe to be released, we should quite clearly not be keeping them in custody to serve their sentence many times over. It is against all the most basic principles of fairness and justice, and the punishment must fit the crime—a point that the hon. Member for Strangford (Jim Shannon) stressed in his speech.

Alex Chalk: I agree with every word that the hon. Lady is saying. The punishment must fit the crime, but does she agree that the real concern is that the punishments are not what judges handed down in court, when they had all the facts before them, but are increasingly the preserve of the people, within custody, who apply often completely extraneous considerations?

Gloria De Piero: That point is well made and I thank the hon. Gentleman.

The impact on those serving IPP sentences and their families is heartbreaking. We have heard of people who have self-harmed and died by suicide in prison. The shocking fact, mentioned by many of those who spoke, that IPP prisoners are significantly more likely to self-harm than both determinate-sentence prisoners and life-sentence prisoners, goes to show the urgency with which the Government need to tackle the issue. As the hon. Member for Banbury (Victoria Prentis) made clear, IPP prisoners are victims of pretty catastrophic policy making.

A study published for the Griffins Society in 2019 examined the impact on women serving IPP sentences. Six of the nine women interviewed had tried to commit suicide multiple times during the sentence, and five of the nine had had their children taken into care. Those are significant risks for the 43 women still serving IPP sentences today, and their innocent families. I would love to know what action the Government have taken on the matter. What have they done, for instance, in response to the family of Tommy Nicol who, as we have heard, died by suicide while serving an IPP sentence? His sister Donna has called for the sentences of those serving initial tariffs of four years or less to be converted to fixed sentences. It seems that that could be a common-sense way to tackle the ongoing injustice of IPP prisoners. What is the Government's position on that?

We can talk about the flaws in the original policy of IPP itself. We all agree on that. However, a major reason why many prisoners who have served their time are still waiting in limbo is the chronic mismanagement of the justice system that the Government have presided over. That mismanagement affects everyone involved in our prison system—not just prisoners with IPP sentences.

We have heard about prisoners who have been asked to demonstrate commitment to therapy for mental health issues, to prove that they are fit for release, but who have no access to such therapy in the prison they are in. That is in part due to the sheer numbers of people on waiting lists for those much-needed courses in our overcrowded prisons. I have urged the Government before, and I will urge them again, to take action on the deficit in mental health provision in all parts of society. However, one in three prisoners has mental health issues and the people involved are often more of a risk to society, so surely prison is one area where particular attention is given to mental health provision. Can the Minister tell me what the Government are doing to make mental health a priority in our prisons?

[Gloria De Piero]

There are other reasons for the situation, specific to IPP prisoners, that would be far easier to fix. We have heard in the debate about prisoners being given access to important courses of the kind I mentioned based on how close they are to their release date, which in the case of an IPP prisoner is indefinite. If we are serious about rehabilitation, those prisoners will need more support on their release from prison. When people emerge from prison to a housing market in crisis, low-paid and insecure work as the only option, and a safety net that has been slashed by austerity over the past decade of Tory rule, it is unsurprising that reoffending rates are so abysmal.

Although the important issue of IPP sentences is, quite rightly, the focus of today's discussion, we are speaking about it in the context of a wider justice system that is falling apart. Many prisons are operating at significantly over their certified capacity. That overcrowding is just one factor that has led to prisons becoming substantially more violent in recent years.

The deficit in the provision of courses that make recidivism less likely, including training for work and mental health therapy, is in part due to the impossible number of prisoners on the waiting list in any given prison. Those problems are especially acute for the IPP prisoners who are the subject of the debate, but they affect all types of prisoners and, with them, our broader social fabric. That is what will really put public safety at risk—not the release of prisoners who may well be ready to reintegrate into society but who are not given a chance to prove it. What are the Government doing about overcrowding, and how many more Tommy Nicols are we likely to lose while we wait for them to take action?

3.27 pm

The Minister of State, Ministry of Justice (Robert Buckland): It is a pleasure to serve under your chairmanship, Sir Edward; as a former member of the legal profession, you will have a particular interest in this important issue. I congratulate the hon. Member for Slough (Mr Dhesi) on securing the debate. I know that he has long had an interest in such issues, and I have debated them with him before in my former capacity as a Law Officer. It is a pleasure now to be able to address the hon. Gentleman and other right hon. and hon. Members as Minister of State for Justice.

We can all agree that the sentence of imprisonment for public protection has long been a source of great concern. I well remember the introduction of that type of sentence, pursuant to the Criminal Justice Act 2003. The provision came into force in 2005, and initially it was used quite often.

The sentence was applicable to and used for a range of offences, including serious assault, threats to kill, arson and a range of other offences that we have heard about today; those are, of course, serious, but I do not think that the courts at the time envisaged what the full consequences would be. Indeed, there is a Court of Appeal authority, from the case of Lang, which, importantly, limited the ways in which IPP sentences could be used. It had an immediate effect on the range of uses of the sentence. There was legislative change in 2008 after another Court of Appeal case in which

serious concerns were raised about the system's ability to cope with the relevant cohort of prisoners. Quite rightly, in 2012 the sentence was abolished by the Government under the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

The IPP population consisted of many dangerous offenders who often had committed serious violent or sexual offences. At the time there was evidence before the courts of troubling escalations of behaviour, prior to the offending that led to an IPP sentence. The policy that underlay the imposition of that regime was twofold—first, the punishment of offenders, but also a specific public protection function was part of the underlying policy introduced by the Labour Government, who for the first time enjoined sentencers to consider future risk. That was unprecedented: the issue had not been approached in such a way, and it introduced a clearly delineated function that was to be exercised in the form of a determination of dangerousness. Judges were asked to make a decision based on the information and evidence before them—either a pre-sentence report, a psychiatric assessment, or the serious nature of the offence itself—and determine whether an offender was dangerous enough to merit an IPP.

That was the law and policy at the time. We rightly now look back on that with concern and the wisdom of 15 years' experience, and realise that it has led to some of the cases we have heard about today, and many other cases that we have dealt with in our constituency casework. That was the reality of the situation facing the courts then, and although I hear the view expressed by many right hon. and hon. Members about the possibility of changing the law to effectively re-sentence those offenders, we must take some care. It could be done—there is no immutable bar to passing legislation that would have a retrospective effect, but there is a sensitivity in cutting across the original sentence and the finding of the court. It will be difficult for a fresh sentencer to put themselves entirely in the position of the sentencing judge at the time of the offence, which is why I hesitate before accepting the strong views put forward by hon. Members.

Alex Chalk: The Minister makes an entirely fair point, but he began by acknowledging that there are people in custody who have served time far beyond what the original sentencing judge anticipated. My constituent has served 13 years after an IPP with a four-year tariff. I recognise the difficulties with re-sentencing, but should we not be concerned when people are in custody for far longer than the original sentencing judge had in mind?

Robert Buckland: My hon. Friend has considerable experience of criminal practice, and he has dealt with many cases of great seriousness. He is right to draw to my attention the specific case of his constituent. We can deal with this problem in other ways, and I will outline those to the House as I develop my remarks. Indeed, I hope specifically to answer the queries that have properly been raised by right hon. and hon. Members.

Robert Neill: May I supplement the intervention from my hon. Friend the Member for Cheltenham (Alex Chalk)? The Minister refers to the difficulties of putting oneself in the position of the sentencing judge, but no one is likely to have been better placed to understand those difficulties than the former Lord Chief Justice,

when he made his observations in the course of a judgment in the Court of Appeal. We know that there are circumstances—for example, when a sentence is reviewed for other reasons—when the court will, for reasons of good public policy, embark on that difficult exercise. Although this issue must be borne in mind, there is precedent for demonstrating that it is not an insuperable obstacle.

Robert Buckland: I agree that in the appellant procedure there will often be that check and balance, but this is slightly different. This would be a change in the law and legal framework to alter the position from the one that applied when the offender was sentenced, to the position now. Whether we like it or not that is a departure, and we must be careful to avoid setting inadvertent precedents.

We must be able fully to reflect on the assessment of risk that was made by the learned judge at the time of sentencing. In other words, how does a court properly assess the length of a determinate sentence—that, presumably, is the aim of right hon. and hon. Members—and decide whether or not to take the further step of imposing a life sentence, which might be appropriate in some very serious cases? I do not pretend that these issues are easy, but neither is it a matter that the Government should do nothing about. Other measures we are taking are already yielding significant results, not just in reducing the number of prisoners held under this regime, but by ensuring that more eligible prisoners can be considered as quickly as possible.

My hon. Friend the Member for Bromley and Chislehurst (Robert Neill), Chair of the Justice Committee, mentioned the remarks of the then Lord Chief Justice, Lord Thomas of Cwmgiedd, who spoke not just about changing the statutory provision, but about changing the test for release, which is important. I think he would concede that the test for the release of prisoners held under this sort of regime must be as consistent as possible, bearing in mind the different classes of prisoners who are held in custody either on minimum terms or subject to parole.

We must take great care not to create too many different tests that could mean that one group of prisoners could be treated in a different or more favourable way than another group. I do not say that the argument has no merit, but there are difficulties in creating potential inconsistencies. It is beholden on me, both as a lawyer and now in this position of great responsibility, to ensure that the unforeseen consequences that occurred with this policy making do not repeat themselves thanks to any change we may make.

Let me develop the point about the ways we can best support prisoners to show that they can safely be released—that is the solution that stares us in the face regarding so many people in that position. As the hon. Member for Ashfield (Gloria De Piero) laid out well, ensuring public protection from violent and sexual crime must be paramount, and our continuing efforts to rehabilitate prisoners subject to this regime are bearing fruit. We have seen a dramatic fall in the IPP prison population over the past years, and the figures cited by the hon. Member for Lewisham West and Penge (Ellie Reeves), and others, are correct. It is a dramatic fall, although I accept that there is still a significant cohort, and we must also not forget that a number of IPP prisoners have been recalled—I will come to that in a moment. However, progress is being made in the right direction.

In January 2016, more than three years ago, a joint HM Prison and Probation Service and Parole Board action plan was drawn up to deal with IPPs. Initially it was primarily focused on improving the efficiency of the parole process, because at that time there was a significant backlog in listing oral hearings for IPP and life-sentence prisoners. As a result of receiving additional resources and changing some of its processes, the Parole Board and the public protection casework section of the Ministry of Justice made progress, and their combined effect was to eliminate that backlog. Simply having a more efficient system resulted in a significant improvement to the pace with which IPP prisoners were released. Following those improvements, the plan was expanded to include a greater focus on those prisoners who, even with a much more efficient parole system, needed additional support to reduce their own risk and secure a release decision from the board.

What was done? A central case file review, by senior psychologists, of IPP prisoners who had not made the anticipated progress achieved considerable success. Out of 1,365 completed reviews, 233 prisoners in these most challenging cases achieved release, with a further 401 achieving a progressive move to open conditions. We have put in place enhanced case management for the most complex cases, so that a multidisciplinary team can work together to remove barriers to progression.

The joint IPP action plan has also overseen further improvements to the process and, perhaps most significantly, we have opened three new progression regimes, building on the success and the outstanding reputation of the first such regime, which was established at Warren Hill. Those sites operate a staged regime of increasing freedom and responsibility, allowing evidence to build on offenders' ability to manage their own risks. The rate of release from a progression regime is higher than the average release rate across all Parole Board hearings, which is something that, I think, all right hon. and hon. Members will welcome.

As comprehensive as the plan and the opportunities it provides to IPP prisoners is, the decision actively to engage with efforts that promote rehabilitation, and so demonstrate that there can be safe release back into the community, must ultimately be for each individual prisoner. In my view, that is why Her Majesty's Prison and Probation Service change programme, in delivering a new offender management model, is fundamental, not only for IPP prisoners but for all offenders. With increased staffing, and the introduction of the key worker role in all prisons, staff will be better equipped, and given more time, to work with individuals who may not be engaging in the way they need to do to reduce their risk.

We are aware that some prisoners may well have become demoralised, with no fixed date of release and the prospect of a further parole hearing currently not holding much hope for them. Here, the key worker will need to get alongside the prisoner and build hope from the foundation of a strong relationship, encouraging them to grasp the opportunities that are available.

David Hanson: It is not unreasonable to ask at what stage that process will be completed for prisoners currently serving IPP sentences.

Robert Buckland: The right hon. Gentleman asks that question again, and I take it fairly and squarely. The answer must be that it will be on a case-by-case basis,

[Robert Buckland]

because each prisoner has an individual story and set of needs, and that does not merit a one-size-fits-all approach. Frankly, the cohort we are now dealing with will probably be the tougher end of the spectrum. I think that the right hon. Gentleman conceded quite properly that there will be a cohort of IPP prisoners who may never be released because of the seriousness of the offences and the risk they still pose—I know he accepts that. Therefore, I cannot give him a figure or a timescale, but I can say that the work that is going on has shown a vast increase in the pace with which we have achieved release and resolution. The model we are now adopting will, I believe, lead to even greater engagement.

As the months go by, the right hon. Gentleman can, of course, hold me to account, and if there is no progress he will rightly ask me the questions and I, independently, will ask civil servants why the initial progress has not been maintained. As a member of the Justice Committee, he will hold me to account for that.

I want to deal with more of the figures we were looking at. We have rightly heard about the overall unreleased IPP population. About 200 of that cohort of 2,400 have yet to serve their minimum tariff. As I said, we have made progress in reducing that population. In 2017-18, the Parole Board progressed to open conditions or released about three out of every four IPP prisoners who appeared before it.

As I was saying, the cohort becomes increasingly challenging, which will require increasingly intensive rehabilitation. Rehabilitating, and assessing the risk presented by, these prisoners, many of whom, sadly, have committed serious sexual offences against children, is particularly challenging. The hon. Member for Strangford (Jim Shannon) opened his remarks by referring to that sort of horrendous offence and the need for public protection. It should be acknowledged that some IPP prisoners may never be released because the risk they pose is just too great for safe management in the community.

We are working to reduce the incidence of self-harm among IPP prisoners as part of our prison safety programme and here, again, the key worker will perform a vital role. Additionally, Her Majesty's Prison and Probation Service is improving the process for people at risk of suicide or self-harm. We have improved prevention training for nearly 25,000 prison staff and have refreshed our partnership with Samaritans for three years, with £1.5 million in funding to support the excellent listeners scheme, through which prisoners are trained to provide support to their fellow prisoners—peer-to-peer support that we all know works in so many settings.

Working to address broader mental health issues in the IPP population remains important. Since last April, we have a new national partnership agreement for prison health. Mental health services are available in all prisons. Turning for a moment to the issue of women IPP prisoners, I am glad to say that they have a dedicated senior psychologist providing a specific progression pathway, and support from a multidisciplinary team to deal with some of the mental health challenges they face.

The commissioning of mental health services by NHS partners is based on a local assessment of health needs, and the services are provided to prisoners on the basis of individual need, which, when we think about it, has to be right. The one-size-fits-all approach does not

work, as we know, when it comes to mental health. Independent professionally trained clinicians carry out assessments, and no one is refused access where there is an assessed need. We are well aware that many of those serving IPP sentences experience mental health difficulties, and part of the action plan aims to ensure access to appropriate treatment. An example that I mentioned earlier is the case file reviews carried out by senior psychologists. Alongside those who have been released or moved to open conditions, 54 of those reviewed have been transferred to secure hospitals, where they can receive the best treatment for their needs.

The issue of recall has properly been raised. With regard to the test of recall, it is important to reiterate that it is stringent when it comes to IPP offenders. They can be recalled only when their behaviour and the nature of the licence breach indicate a causal link to their original offending and that the public are at risk of further serious, violent or sexual offending. That is a different, and more stringent, test for recall than that which exists elsewhere in the system.

Work is being done to ensure that recall is properly focused only where it is necessary to protect the public, and efforts are being made to keep offenders on licence in the community wherever possible. Those efforts include the creation of new guidance for probation officers on licence variations of alternatives to recall, and on best practice in the management of offenders on licence, to improve their compliance and prevent the risk from escalating.

A new power to release IPP prisoners on the papers is being used for those on recall. The Parole Board has introduced a quicker, 48-hour turnaround time to consider licence variation requests from probation, to support continued management on licence in the community. We are investigating the rise in the number of IPP prisoners on recall, to see how that rate can safely be reduced and, citing the hon. Member for Ashfield, to get the balance right between the need to protect the public and the need to rehabilitate offenders.

A number of cases were raised with me. I agree that that of Wayne Bell is concerning and I understand that he is now receiving treatment for his mental health issues in an appropriate setting, which is welcome. The troubling case of Tommy Nicol was properly raised. My predecessor, my right hon. Friend the Member for Penrith and The Border (Rory Stewart), met with Donna Mooney, Mr Nicol's sister, earlier this year. We remain in contact with her at an official and, I very much hope—although I am a new Minister—a ministerial level. We have another meeting with her planned for the autumn. It is a particularly tragic case, but I assure right hon. and hon. Members that we will continue to work with her to address the concerns that she raises with such dignity and clarity.

My hon. Friend the Member for Banbury (Victoria Prentis), who sadly has been called away, asked about the work led by the University of Southampton. We are very much aware of the work of Professor Harry Annison, who works in partnership with the Prison Reform Trust and has already given us an important insight into the impact on families of their loved ones serving IPP sentences. I am looking forward to seeing the conclusions of the next stage of his work, which is currently being supported by IPP and family leads from Her Majesty's Prison and Probation Service. With regard to the entire

IPP population and the action plan, although I am not able specifically to indicate the number currently subject to that action plan, I assure the House that it is having a wide-ranging effect and will continue to be implemented.

I have lived with the IPP regime for much of my professional and political life. I am profoundly grateful to the hon. Member for Slough for having raised this issue today, allowing us to debate it in a calm and considered way that reflects the genuine concerns of the families of people who are subject to that regime, but also understands the enduring and important function that the justice system plays in protecting the public from serious and violent offences. I believe that the best approach is for us to continue our successful efforts to help those offenders rehabilitate, and redouble those efforts whenever necessary and whenever an offender wishes to engage. That will provide the best chance for those prisoners to become once again law-abiding members of the very communities that we are seeking to protect.

3.51 pm

Mr Dhesi: I thank the right hon. and hon. Members who have taken time to engage in this important debate. I think you would agree, Sir Edward, that there has been consensus and agreement on so many issues, between the shadow Minister, my good friend the hon. Member for Ashfield (Gloria De Piero), members of Select Committees including the Select Committee on Justice, and that Committee's Chair, the hon. Member for Bromley and Chislehurst (Robert Neill).

However, I fear that the Minister has responded with a great deal of hesitation and caution, which does not befit the urgency of the action that is required. Although we should not forget the victim, the punishment must fit the crime. We cannot ignore the glaring official statistics on excessive sentences, the mental health problems of prisoners, or the need for a rehabilitation pathway. We cannot leave people in limbo. Sentences need to be determinate, not indefinite. Although we have corrected the policy, we have not done so retrospectively, and the current situation—as other right hon. and hon. Members have pointed out—is simply unconscionable and unacceptable. That is why I urge the Minister to take urgent action to resolve this unsatisfactory situation.

Question put and agreed to.

Resolved,

That this House has considered imprisonment for public protection.

3.53 pm

Sitting suspended.

Cambridgeshire and Peterborough CCG: Funding Pressures

[MR PHILIP HOLLOBONE *in the Chair*]

4 pm

Heidi Allen (South Cambridgeshire) (Ind): I beg to move,

That this House has considered Cambridgeshire and Peterborough CCG funding pressures.

I start by thanking the Backbench Business Committee for granting me this short debate and you, Mr Hollobone, for chairing it. I also thank the Minister for his time.

I represent South Cambridgeshire, which is a largely rural constituency, although it also contains part of Cambridge, which is the fastest growing city in the UK: it grew on average by 7% every single year from 2010 to 2015, and since then has continued growing beyond the national average. There is no doubt that the economy, which is spun out of Cambridge University, is world class. It is equally no surprise, therefore, that the Government are keen to connect us with Oxford, another world-leading, rapidly growing city. Beyond the exceptional levels of growth that we are already experiencing, the Oxford-to-Cambridge expressway and rail line will create a further 1 million homes, so how can it be that the health funding allocated to our clinical commissioning group is based on an assumption that we are growing more slowly than the rest of the UK?

The NHS funding formula has determined that our population is growing at 0.1% below the England average, when in reality growth across the whole county has been 0.6% above the England average over the past four years. That difference matters. In population terms, the Office for National Statistics, from which the NHS draws its calculations, predicts that our population will be 988,000 by 2021, while our known and planned housing growth means our population will in fact be 1,022,000. That is known housing growth, before we even consider the additional housing that will come from the Cambridge to Oxford project.

I must tell the Minister that that is not all. The money we receive per head of population is also significantly lower than it should be. In fact, all our neighbouring CCGs are better funded than we are. In Cambridgeshire and Peterborough, we receive £1,125 per capita, as compared with £1,244 in Bedfordshire, £1,288 in West Suffolk and a staggering £1,497 in Norfolk. How does the Minister consider that to be fair, when we have one of the greatest and fastest growing ageing populations and severe areas of deprivation in Fenland and some of the Cambridge city wards? Those issues of unfair per capita funding and incorrect growth forecasting have the compound effect of making us the third-lowest funded CCG in the country.

On top of that, we have been given a £55 million savings target for this year alone, which amounts to 4.5% of our entire budget. We have an allocation uplift of 5.67%, or £66.7 million, but we are already committed to nationally mandated costs of £70 million, so the numbers just do not add up. In simple terms, despite our growth, we have less money to fund health services for the people of Cambridgeshire and Peterborough in 2019-20 than we did in 2018-19, and that is set to get worse.

Daniel Zeichner (Cambridge) (Lab): The hon. Lady is making a very important speech. I would like to underline that final fact. It feels very much like the situation with our schools, where the Government tell us that we have more money, but teachers and headteachers tell us that we do not. I would like to underline her crucial point: we have less money to fund health services in 2019-20 than in 2018-19. I hope the Minister will be able to explain why.

Heidi Allen: The hon. Gentleman, who is my neighbour, is absolutely right. Everyone knows that Cambridge and the surrounding region are growing, yet somehow we are expected to manage on less and less money every year.

Let us bring some colour and real life to the situation. The provision of in vitro fertilisation, of any number of cycles, is totally under question. Hearing aids for those with moderate hearing loss, and community diagnostics, such as ultrasound services, might go, as might vasectomies. The CCG has to reduce its spend on services outside of hospitals by £33 million this year. That means, speaking plainly, significant cuts to community care—everything we are trying to do to stop people from being admitted into hospital, which we know is the most expensive form of care. Every single one of our major out-of-hospital care services is under review.

The Minister will be familiar with a CCG's "distance from target", which is how far away a CCG is from what the NHS would consider the fair funding position to be. I can tell him that that will deteriorate yet further to 3.71% by 2019-20 from an already unacceptable gap of 3.5% in 2018-19. That position is simply unsustainable. The goalposts are being moved further and further away. In monetary terms, it means that we are underfunded by £43 million this year. If nothing changes, over the next five years we will be underfunded by £200 million. Our CCG has just agreed the 2019-20 financial plan with NHS England. That agreed plan will show a deficit of £192 million. That just cannot continue. I cannot believe for one minute that the Minister would be content with such a depleted health service.

What are the Minister's views on what he can do specifically to correct the flawed growth forecasting? How will he address our significantly lower funding per capita? Will he tell me why the problems have not been addressed in the five-year funding allocation? I would appreciate a commitment to an early review of the funding allocation and extra intermediate emergency funding. At this rate, we are going to be cutting just about everything. If that funding is not available, I sincerely ask the Minister to explain exactly how my CCG and its providers are expected to close that deficit gap. Without cutting more health services for my constituents in South Cambridgeshire and for people across the whole Cambridgeshire and Peterborough area, I do not see how the CCG can make ends meet.

4.6 pm

The Minister for Health (Stephen Hammond): It is a pleasure, as ever, to serve under your chairmanship, Mr Hollobone. I thank the hon. Member for South Cambridgeshire (Heidi Allen) for bringing forward this debate. I know there are not many Members in the Chamber, but that should not in any way undermine or

take away from the importance of this debate, which is clearly of great interest to her. She spoke powerfully about the problems that the CCG has had.

I recognise right at the outset that Cambridgeshire and Peterborough CCG has faced a number of difficult, interlocking and historical factors. The historically low funding settlement is obviously taking time to rise to target—there is a commitment to rise to target over time, which I will come on to in greater depth in a moment—and that has combined, as she rightly points out, with the fast rate of population growth across the area, which has put additional demands on the CCG.

I and the Government recognise that the CCG receives less per person than its neighbouring CCGs. As the hon. Lady rightly pointed out, it gets £119 per person less than its neighbouring CCG in Bedfordshire. Although it is moving towards target—as she rightly points out, it is 3.7% below target this year—that figure reflects some of the historical funding patterns. It does not reflect the allocation formula change that the NHS is working to resolve.

The hon. Lady and the hon. Member for Cambridge (Daniel Zeichner) pointed out the growth levels. She is right that Cambridge and Peterborough have seen substantial population growth in recent years, and that growth has been 0.6% above the England average over the past four years. Inevitably, that growth—plus the potential growth from the Oxford-to-Cambridge expressway, which will put more housing along the corridor—will clearly cause additional pressures.

The hon. Lady asked for a commitment from me. I can say that NHS England is committed to bringing all CCGs up to target as soon as possible, while also ensuring that all CCGs receive some additional funding this year. As a result, the CCG has received an additional 2.5% per capita growth in 2018-19, and will receive a further 5% per capita growth in 2019-20. That will bring the CCG funding up to £1.1 billion for 2019, which is below target but moving up. As I think the hon. Lady said, it was previously some 5% away from the target; it is now 3.7% away from the target. Our commitment is to bring all CCGs up to the target as soon as possible.

The hon. Lady will not be surprised to hear me say that it is, of course, a matter for NHS England to allocate funding to CCGs, and that process has been evolving. It might be helpful if I briefly set out how that happens. NHS England must ensure that funding is equitable and fair, taking into account the three main drivers of healthcare demand: population growth, deprivation and an ageing population. As a point of principle, CCG allocations are based on equal access for equal need and reducing health inequalities.

As the hon. Lady pointed out, a complex national formula supports the allocation of resources, and historically that has caused some distortions. That formula is developed by the Advisory Committee on Resource Allocation, known as ACRA, which is an independent body of experts, supported by the population projections of the Office for National Statistics.

The hon. Lady cited some population predictions, which I think come from the Cambridge Research Group as opposed to the Office for National Statistics. She will therefore understand that, although I accept that those numbers are shared locally, Ministers and the NHS have to rely on the independent and academically

rigorous body. Otherwise, it could easily be perceived that we were using a local think-tank's population growth estimates to privilege one group over another.

Heidi Allen: Am I allowed to intervene?

Mr Philip Hollobone (in the Chair): Order. You are allowed to rise at any moment, but the Minister does not have to accept your intervention.

Heidi Allen: Thank you, Mr Hollobone. Forgive me—I have not led a Westminster Hall debate before. I accept all that the Minister has said, and it is a difficult matter, but the statistics are flawed. The Minister said that he accepts that the growth is 0.6% above the England average; the Office for National Statistics is working on its being 0.1% below. Something is therefore going a little astray.

Stephen Hammond: I am sorry—either I did not make myself clear, or the hon. Lady misheard me. I said that the population growth was 0.6% above the England average over the last four years. The number that she cited of the growth being below the average is from ONS predictions for the next two or three years.

Heidi Allen: Forgive me if I am mistaken, but I thought I heard the Minister agree that the growth was in fact 0.6% above the England average. If it is, why on earth are we working on the ONS figures that it is 0.1% below the England average?

Stephen Hammond: This is prejudging the tennis season, in that we can go backwards and forwards, but let me say for the record that if I misled the hon. Lady I apologise wholeheartedly. I agreed that the population growth of the Cambridge and Peterborough CCG area has been 0.6% above the England average over the last four years; I did not intend to suggest that it is expected to be 0.6% above the England average for the next one, two or three years. I think the ONS number that she cited is one that we recognise; however, as I said, the numbers that she produced from the Cambridge Research Group are different from those of the ONS.

This year, ACRA has recommended a wide-ranging set of changes to the formula, to ensure fairness across the country. In the case of Cambridgeshire and Peterborough CCG, that has led to an increase in NHS England's estimate of what the fair share of resources should be. That is mainly due to the mental health and learning disability service estimate and the market forces factor.

Changes have also been made to the way population data is used. ACRA now uses the annual average registered list for the most recent year, rather than the size of the list at the time of allocations, to allocate resources on a per capita basis. That change will inevitably benefit Cambridgeshire and Peterborough CCG because it will reflect more recent population growth. The change is obviously also intended better to reflect cyclical patterns in areas with large numbers of seasonal workers or large student populations.

ACRA also now uses specific data regarding age and gender population projections produced by the ONS, so that if population growth in an area is disproportionately in a younger or older population, which will obviously affect the relative need, that will now be reflected in the new way that NHS England calculates the allocations.

As I said earlier, the formula changes will more accurately reflect population growth, deprivation and the structure of the population over the next few years.

Heidi Allen: I appreciate the sincerity, and my CCG knows that NHS England intends to improve the formula to make it more representative. However, a question remains, and it is the same question that the hon. Member for Cambridge (Daniel Zeichner) referred to regarding education: what happens in the meantime? Our CCG is talking about significantly cutting community services. That will affect elderly care in the community. That will stop vasectomies. It may take IVF treatment away altogether, as we are at just one round at the moment. Although I appreciate that NHS England is an enormous machine and improving the health formula will take some time, what do I say to my constituents whose health services are being cut while we wait?

Stephen Hammond: I will say two things to the hon. Lady. First, the reflection of the formula and the increase in the money is coming through this year and next year. We have spoken about the additional per capita funding that is coming through.

Daniel Zeichner: There is a complicated set of issues surrounding national health service funding, but the CCG is telling us that it will have less money to spend in 2019-20 than in 2018-19. I really just want confirmation from the Minister that that is his understanding too.

Stephen Hammond: All I have are the percentage increases in additional per capita funding for 2018-19 and 2019-20. I will seek inspiration to confirm the absolute totals, and if that inspiration reaches me while I am still on my feet, obviously I will relay it to the hon. Gentleman. If not, I am happy to confirm that I will write to him.

My point is that the NHS England allocation is based on the ACRA assessment and on the change in the funding formula. The hon. Member for South Cambridgeshire and the hon. Member for Cambridge rightly point out that, historically, the funding of their CCG has not been equivalent to that of local areas. That historical funding disparity is being improved, and is moving back towards the target of funding for CCGs over the next two or three years. I pointed out that last year there was a funding increase of 2.7%, and there will be one of more than 5% this year.

Heidi Allen: While the Minister's inspiration is working diligently on the back row behind him, may I ask to be included in that? If we do not have time now, perhaps the Minister could come back to us. He is right that some additional funding has been provided to the CCG, but more than that amount is in mandated national programmes over which it has no control, so how much extra will the CCG receive for core services—not for something that has been put on it from a national point of view?

Stephen Hammond: The hon. Lady will know that some of those core mandated services are providing core services as well. I am happy for the hon. Member for Cambridge to correct me, but my understanding is that an additional £8.5 million will go into the CCG. If he wishes to write to me with his figures, I will happily source those numbers for him. However, I have just received inspiration from somewhere, for which I am very grateful, and I can confirm that that is the number.

Daniel Zeichner: We could probably swap numbers for the remaining 11 minutes of the debate, but I am told that the CCG has additional nationally mandated commitments that exceed the extra money that it is getting, which is the nub of the problem. The overall problem, however, is that the Prime Minister has been going around telling people that a huge amount of money is coming into the national health service, but locally it appears that we have less. That is obviously difficult for local people to understand.

Stephen Hammond: The Prime Minister has rightly been telling people that there is a huge commitment to put more money into the NHS. Throughout the debate, I have recognised that the moneys that the CCG historically received were below the target for CCGs. I have stated that more money is now coming into the CCG and that NHS England is committed to moving all CCGs to target. Although he may say that is a historical issue, I hope he would also recognise the fact that the Government are putting more money into the national health service and that that money is coming to his area.

That brings me to the point I wanted to make about wider funding. The Government are making a commitment and backing the NHS with an extra £20 billion a year by 2023, which will be reflected in the resources available to CCGs.

Daniel Zeichner: I note, however, that my reading of what is happening to the CCG is that it has already spent a lot of the money that is coming through, so it will mean not more money, but dealing with past debt. Again, could the Minister confirm that that is in fact the case?

Stephen Hammond: That will partially be a decision for the CCG. I do not recognise exactly what the hon. Gentleman has said; I have said that an additional amount of money is going in. I accept that there are nationally mandated core services that need to be provided by the CCG. I stress again, as I have throughout the debate, that I accept that the CCG has historically been underfunded against population growth and against other local CCGs, as he and the hon. Member for South Cambridgeshire have pointed out.

I have reflected in my remarks that the change in the formula will allow the population growth that has happened in the previous four years to be more accurately reflected. If the hon. Lady's growth projections prove more accurate than those of the ONS, I have indicated how, through the formula change, that will come through more quickly in the funding that is received by the CCG. Those are the key points. I am happy to write to her and the hon. Member for Cambridge to confirm the financial position as I and the Department understand it, so we are clear. We could spend another joyous eight minutes swapping numbers, but perhaps we will not do that now.

Suffice it to say that the long-term plan also sets out how the NHS will use those resources more effectively. It is clear that there is a huge increase in the commitment to primary care and that the formula change will reflect that more accurately for CCGs. I have no doubt that, if the formula increase does not come through in the way that the hon. Gentleman and the hon. Member for South Cambridgeshire expect, or that I expect, they will continue to make the case to me and will bring me back for another debate. I thank the hon. Lady for securing the debate and I hope she agrees that we have discussed the funding formula.

Question put and agreed to.

House Building Targets

4.24 pm

Anne Marie Morris (Newton Abbot) (Con): I beg to move,

That this House has considered house building targets.

It is a pleasure to serve under your chairmanship, Mr Hollobone. I am grateful to have been granted this important debate. I do not think anyone in the Chamber will disagree that we need more houses; I suspect that there will be violent agreement that we need homes and communities, not just blocks, because that will have an impact on how society develops, and we are aware of the close link between the provision of homes and the mental health of those who live in them. Given that, there is clearly a role for targets to ensure that we build more such homes, but they need to be the right targets followed by the right incentives and disincentives to ensure that we get the right behaviour.

The main house building target with which we are all familiar is the numbers target set by central Government. The National Audit Office has looked at that number and it is not entirely clear that it is valid. I am sure that the Minister will respond with exactly why that figure has been picked and whether he agrees with the NAO's conclusions.

There is a similar challenge with the local government number, which is generally based on each 10-year census, the last of which was in 2014. There is room for some flexibility around affordability, but that is about it. In the same way, then, those local government targets also need to be properly validated, and we need evidence, so it would be appropriate for local authorities to be required to collect more information about that housing need and to look at brownfield sites and empty properties that are not being used.

Local authorities also need to be given more flexibility and enforcement power to bring uninhabitable sites into habitable use. Although, clearly, there are powers, the challenge is that most local authorities choose not to use them, because they do not have the finances or resources for a long, drawn-out process. That is not the right approach, however, and we need to consider how to make it simpler and easier for local authorities to use their powers. The real need has to be established, not just estimated.

If we are to look at the totality of the housing we need, we must also consider the challenge of land banking. Local authorities need new powers to prevent that behaviour. We could do that in a number of ways, such as by looking at the rules that allow a developer to comply with the legislation enforced at the time he purchased, not the time he develops, when it is often more stringent. One small thing would be to say, "You must comply with the rules as they are today." We could also consider some form of compulsory notice, or, in extremis, compulsory purchase, to make sure that those plots of land are brought into supply.

The targets based largely on numbers are not enough. There are probably four areas that we need to look at, for which there are some targets and plans that are, however, not strong enough. Those four areas are affordability, environmental impact, infrastructure and community benefit. On affordability, I do not think that any hon. Member present disagrees that 80% of the

market frankly does not represent anything affordable. The problem is that the link is with the market price of the house, not the average salary. I appreciate that if we make that link, there will be a huge funding gap that will have to be met from somewhere; I will come on to how I might do that in a minute.

We need new national and local targets for affordability, and we need to ensure that they cannot be diluted. Many developers, having said that they will develop x% in accordance with the local council's rules and regulations, come back and say, "Oh dear, I cannot develop that number of affordable homes. They must all be executive homes", and because the council is so needy of the community infrastructure levy and the new homes bonus, by and large, it caves in. That cannot be right.

Siobhain McDonagh (Mitcham and Morden) (Lab): The hon. Lady is making a very interesting speech. On the point about whether a developer can develop the proportion of social housing units, does she agree that developers should be required to publicly produce their affordability assessments in order that we can all have a look at those figures?

Anne Marie Morris: That sounds to me like an excellent proposition—I agree.

With absolutely the best interests at heart, the Government have introduced very good schemes, such as Help to Buy and so on, and I believe there are more on the way, but the challenge we have is that if a local authority complies and creates enough housing stock as part of those schemes, that squeezes the amount that can be available for truly affordable housing. Where I am in Devon, that has been a huge challenge for Teignbridge District Council. Once the percentages of affordable homes are agreed, they should be pretty much immovable, except in extremis. It should not be in the gift of the developer to change that.

How are we going to pay for all of this? I think we all accept that the fundamental link between salaries and the cost of a property has been broken and needs to be fixed. We need to look at how to share more fairly the benefit and the burden of the windfall that comes, first, as a chunk taken by the owner and, secondly, as a chunk taken by the developer. How might we do that?

Owners already pay a tax, so they do have to make some contribution. In addition, they should be required to set aside a fund for infrastructure provision, which is one of the biggest challenges for any housing development. That would be important. That money should be provided up front.

At the moment, the owner getting paid generally depends on the developer getting planning permission. It should be conditional not just on that but on the delivery of the infrastructure and, potentially, the affordable housing. There has to be some way of tying the owner to a greater responsibility for delivering the homes.

What can we do with regard to the developer? The developer is generally already required to make a contribution to the infrastructure, but, by and large, it is not an up-front contribution. We need to make changes so that it is. We need to look at putting infrastructure in place before we build even one house. There will be some occasions when, for practical reasons, the houses have to be built before the roads are, but the principle is important.

[Anne Marie Morris]

We then need to ensure that the developer is held to account on developing the types of homes that the council needs. Whether an area needs flats or two-bedroom homes or three-bedroom homes, or whatever, will be in the council's local plan, with more information in the neighbourhood plan. Often, the developer brings an argument that they cannot provide what is required—that they need to provide executive homes, because that is all they can afford to produce. That is not the right answer. The council ought to have the power to ensure that, when it grants planning permission, it is to provide the houses or flats that we actually need. There might be a question about whether a developer would then continue to develop. If that were a national policy, rule or regulation, they would continue to develop, on the assumption that they want to stay in business.

What about the council? In this whole process, they do not have the relevant power or resource. By and large, they cannot say to a developer, “No, you are not providing the sort of houses we need.” They need the CIL money, they need the new homes bonus and they know that if they lose an appeal brought by a developer, they will have to pay the costs. That rule needs to be changed. Councils need to be free not to give planning permission where they feel it appropriate, without having over their heads the real burden of paying fees if they are then proved wrong.

On brownfield sites and empty properties, councils need to be given the power to enforce. That means ensuring that they are properly funded to do so and that the legislation has the teeth to make that happen. Without that, those who own brownfield sites or have vacant properties will not be willing to do much about them.

I want to touch on the environmental impact. This is a huge issue; it has had a significant impact in my constituency. There is a much fought-over development in Newton Abbot, called NA3. It is currently being reviewed by the Government, because the local authority did not make a decision in sufficient time. The developer has effectively said that they want it to be looked at in more detail, and that process is ongoing as we speak. I will not refer to the details exactly, as the matter is currently in train, but the way the system works means that no account has been taken of the real number of houses we need, nor of the real value of that particular piece of land, which offers much in environmental support and opportunity for the area as a whole.

Another example is Kingsteignton, one of the smallest towns in the country. It started out as a very small village and just got developed and developed. The character of that village has largely been destroyed and it has become a small commuter town—a dormitory suburb of Exeter. It was never developed to be a town, so there is no physical centre such as a cluster of shops that people can go to, to give a heart to that community.

There are a number of things that might be done to address these issues. I start with carbon impact, which is slightly dislocated from my previous point. There used to be carbon impact targets. As I understand it—the Minister may correct me—they were abolished in 2014 or 2015. It seems to me that everyone feels very strongly, and rightly so, that if we are to do our bit, we need to ensure that new housing is developed with the lowest carbon impact possible. That is not the case at the

moment. Many constituents say to me, “Why are solar panels not mandated nowadays on new developments?” Not to mandate them on industrial developments certainly seems to me to be madness. That needs to be re-examined, and I hope that with the new focus on environmental matters, the Government will do that.

If the Government are really serious about trying to ensure that there are beneficial rather than adverse environmental impacts, they need to look at investing in and supporting investment in new technology to enable us to build new, high-quality, environmentally friendly houses and homes.

My other concern is about the green lungs. In communities that have been further built out, we have tried to retain small areas of parkland and so on, so that people feel the area is a home, and they have somewhere they can take their children and their dogs and so on. In a large conurbation like London, that is difficult, and we are where we are, but there needs to be a greater focus in planning on retaining the green lungs going forwards. I am concerned that we now seem to be continually reducing the footprint that a property has, and reducing the amount of land/garden. Mental health is also a big issue today, and greenness and space are very important to mental health. The link between planning, housing and mental health does not need me to prove it. It is already there for all to see.

The Government should be looking at a new strategy. Alongside looking to develop new towns—I know there are some already—they should be looking at new villages. I appreciate the appeal of new towns with their greater population, but our villages are one of the beautiful things about our green England, and Scotland, Wales and Northern Ireland. Why is it that we cannot have a new villages strategy? They might be the template for environmental pilots. If the Minister in any way accepts any of that, the national policy planning framework will need to be reviewed and fundamentally overhauled.

Let me now look at the issue of infrastructure. I have talked a bit about the funding and when the money comes forward, but I am still amazed that, although there is an obligation to put in a telephone line and connect to water and electricity, there is no obligation—unless the Minister says it has changed—to put in broadband. It seems to me that planning should not be given unless the developer makes a commitment to put in broadband, by which I mean a broadband connection to BT—not because I love BT, but because it provides the physical infrastructure. In some areas where in theory there has been a commitment to provide broadband, it has been access to Virgin or one of the other suppliers. As they do not have control over the physical network and infrastructure, the reality is that the community cannot get broadband. I am hopeful that the Minister is looking at some of the challenges.

Infrastructure is not just about electricity or broadband but about having enough schools and health provision. One of the things that has continued to surprise me is that some very important consultees are not statutory consultees. One of those is health. Although the Minister's predecessor would say to me, “But they can be consulted, and usually they are,” my response has always been, “Well, that's true, Minister, but the reality is that if there is no statutory obligation to do it thoroughly and properly, you will probably not do it to the degree that it needs to be done.” I am certainly aware that there are

many areas in my part of Devon where we do not have adequate provision for health services, which is a real issue.

Part of the infrastructure is normally funded through the council. One of the things that has been a barrier to councils is their inability to borrow against future receipts of CIL moneys or the new homes bonus. If we could change that—at one point, one of the Minister's predecessors started looking at it—it would make a significant difference. Although the CIL and NHB moneys go to the council, there is no obligation for them to use that money in the local area where the development takes place. I appreciate that where there is a neighbourhood plan—I am certainly a great fan of them—it is a win-win for that neighbourhood, because they get an element of the money to use in their own area. Although that is a good start, I do not believe that it is adequate.

Let me now turn to the final area where I think we should have different thinking, new targets and a new approach: the community. How does the community benefit from all this? Looking back in history, the concept of planning and planning approval was introduced because it was believed that landowners had too much power to build anywhere—rightly so, because they own the land—and it was therefore thought more appropriate for there to be some control, hence the planning process.

It seems that there is a stakeholder missing from this agenda: the community. I have talked about providing homes and ensuring that we have stable and mentally healthy communities, but we will not do that unless the community is involved. I know that there is a requirement in the NPPF to look at environmental and community issues, but there are no real teeth to it. It seems that the concept of community interest is very limited and needs to be reviewed. At the moment, we generally look at the impact of any plan put forward on productivity—rightly so—but we do not look at the impact of that development on the community's quality of life, which is important. If we are so focused on the need for healthy communities and on reducing our mental health issues, that is critical. If we are to achieve this, the NPPF will need to be changed.

In trying to put the community at the heart of all this, we need to look at a viable villages initiative. I have referred to the issue before. One of the challenges is that most of the large developers will not develop small villages. The small developers find it more expensive because they do not have economies of scale, and many have gone out of business. Without support from the Government, we will not change that. Unless we look specifically at how we will ensure that existing villages remain viable, so that there are still enough children to attend the schools and enough people to go and drink in the pubs, we will find that our villages die. Wherever they are in the country, that will be a loss. We need to look at how we do that, be it through simplifying the planning permission or through Government grants and support for small builders. I am sure that the Minister is better placed than I am to address that.

I have an old chestnut: engagement with the community. I have raised this with just about every Minister who preceded the current Minister, whom I shall also ask to consider it. For all the reasons I have expressed, I believe that the community should have a right of appeal in the planning process. The Minister's predecessors

have always said to me, "You can't, because you'll create a nimby world where anybody who doesn't like something simply puts up their hand." I would say no. Indeed, a piece by the National Federation of Builders that was based on an article I wrote said, "You can't do this." I am sure its concern was that, should we get the community involved in nimbyism, it would simply block development.

If we were to manage the process properly and say that only a town or parish council could appeal, and if appeals had to be made on planning grounds, it would minimise the room for manoeuvre and for nimbyism to creep in. I recommend to the Minister that he look at this again. The intention is not to take power away from district councils; it is to get a better, joined-up system that works for communities, councils, central Government and all of us who want more houses in the right places. We want communities, not just blocks of flats.

I thank the Minister for his patience. Owing to the actions of a number of Governments over the years, our planning system is now broken. Although I commend the Minister's predecessors for working hard to change that—much of what went into the NPPF and the new plans was good—it remains broken. It cannot just be a numbers game, which is what we focus on now. The system must take into account some of the other issues that have been raised. We have to look at how we will link house prices to wages, and I have made some proposals on how we do that. We absolutely need to address this key issue, so that people on average wages in Devon can actually afford to buy a house in a sensible timeframe, rather than having to rely on the bank of mum and dad and/or wait until they are 40. As Maslow said in his hierarchy of needs, a home is the most important thing for human survival.

It seems to me that the community must and should have a voice. I hope that the Minister will take my suggestions, and that he will look at them and digest them. I very much hope that he will stand up and say that many of these are good ideas. Indeed, it would be even better if the Minister were able to tell me that the present Government were already looking at them. I shall now sit down and look forward to hearing the Minister's and other contributors' thoughts on this very thorny issue.

Several hon. Members *rose*—

Mr Philip Hollobone (in the Chair): Order. The debate can last until 5.30 pm. I am obliged to call the Front Benchers no later than 5.7 pm. The guideline limits are five minutes for the SNP, five minutes for Her Majesty's Opposition and 10 minutes for the Minister, and then Anne Marie Morris gets two or three minutes at the end to sum up the debate. Four Back Benchers are seeking to contribute, so I am afraid that there will have to be a time limit of four and a half minutes, to make sure that everybody gets in.

4.50 pm

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I want to focus my remarks on land banking. Hull is a growing, successful city that is attracting significant investment and undergoing positive change. The council has already granted numerous housing, commercial, industrial and educational permissions, the majority of which have been implemented.

Alex Sobel (Leeds North West) (Lab/Co-op): In my hon. Friend's constituency, Goodwin Community Housing is a great example of brownfield sites being used to build modern, modular, low-carbon housing. Does she agree that we need to see that model of housing develop if we are to meet our housing targets using brownfield sites?

Emma Hardy: I completely agree, and I look forward to going to see those properties on Friday.

We have a problem with landlords not implementing their permissions in full, and with one landowner in particular. The problem is not just that sites are not being developed, but that landlords are failing to manage their responsibilities for them. There are patches of land across the city—I will talk about the details in a moment—that are being left to go to ruin, and landlords are not taking full responsibility for health and safety.

The Lord Line building is a site of personal significance to the people of Hull, as it is one of the last buildings relating to Hull's fishing heritage. It is the site of the dock where the fishing boats used to come in and out of when we were the capital city of the UK for the fishing trade, but it has been left to go to ruin. Youths go in there for reasons that I do not want to elaborate on here. We can see from the discarded needles, the bricks thrown from the top of the building, and the fire engines that attend the site regularly that it is not being properly safeguarded or protected. There will end up being a tragedy there, because people keep going to that building and it is not being looked after.

The owner of that land also owned the former Rank Hovis Clarence Mill on St Peter Street. They pledged to clear the building and promised a Radisson Blu hotel in its place. The demolition and clearing work still had not started by 2015, and in 2017 the permission expired and was not renewed. They bought the Heaven & Hell nightclub in March 2011. They said that they were going to put a £15 million development called Manor Cube on the site, and stated that the building work on the hotel would be completed by July 2013, but by that time no work had been completed.

The Lord Line building has been left to rack and ruin, causing great upset in the fishing community in Hull. The company—Manor Properties—seems to have a habit of promising pie-in-the-sky, wonderful, big dreams to the people of Hull, while letting the areas go to ruin.

There are a few points where I feel the Minister can tighten up the existing legislation to prevent this from happening again. We could have enhanced compulsory purchase orders where a site is allocated and consent is not implemented in full. Those powers could enable the local authority to acquire the site at 50% of its market value, provided that it commences development within 12 months of acquisition and at least 50% of the development is completed within three years. I know that the council would develop that land, but it does not have the power to purchase it. If a section 15 notice has to be served due to a lack of maintenance and dereliction on a site, allowing it to be acquired at 40% of its market value could also help the development.

The Minister should also focus public sector funding on unlocking those sites by providing additional grants and loans. The rules are set up to prevent the council from being able to compulsorily purchase the sites, but

when people come into my city on the A63, they see this abandoned building on the way in. That is not the advertisement that I want for my city. People walking around the centre see patches of land that have been left or underdeveloped. The Minister could change that by just tightening up a few bits of legislation.

Removing VAT for any conversion works undertaken to properties' heritage action zones would also help us. The Minister should change the rules about what constitutes a material start, to prevent landowners from undertaking minor works.

Mr Philip Hollobone (in the Chair): Order.

Emma Hardy: I will write to the Minister with more information.

4.54 pm

John Howell (Henley) (Con): When I first came to the House in 2008, I began work on a paper called "Open Source Planning", which set out an important distinction and led to the abolition of the top-down targets that had existed under the Labour Government. It took a little while to get rid of them, but we have not replaced them. The Chancellor's target of 300,000 houses is an aspirational or soft target, because it cannot be achieved on its own without consequential changes to the planning system. We have already made a large number of changes, and there are more on the way.

The main target that we should be aiming for is one based on housing need. Under previous Administrations, it was left to individual councils to come up with the figure for housing need and methodology to calculate it. That was incredibly expensive for councils and led to an enormous number of court cases, as developers challenged them. I was very pleased when the Government asked me to sit on the Local Plans Expert Group and come up with a new methodology. We were the first to introduce a methodology based on Office for National Statistics figures. Although there are some problems with it, which I am sure the Minister is aware of, it is a very useful starting point.

Unfortunately, many other deals—for example, growth deals—have subsequently come into play and overridden those figures. The councils concerned have come up with other figures to replace the need figure that is based on, for example, strategic housing market assessment surveys that are quite old. We and councils must have an overriding desire to go back and take those figures out to the public to discuss what is being done and ensure that there is public buy-in.

My hon. Friend the Member for Newton Abbot (Anne Marie Morris) mentioned the NPPF. I am very pleased to have been involved in the original version of it. All we tried to do with it was to boil it down from thousands of pages to 50 to make it accessible to everyone.

The best targets are those in neighbourhood plans. They have been developed by the community, and the figures from the district council that they have been built on are merely the minimum figures. The community can add to them whenever it wishes. Neighbourhood plans are very good at protecting the open and green spaces that the community wishes to include. There is a great need to protect the people who spend a couple of years producing a neighbourhood plan, which is why

I introduced a private Member's Bill to take away the right of appeal if a developer has definitely gone against a neighbourhood plan.

I do not think the system is broken. We have gone out of our way to try to fix it. I would point to the fact that the viability calculations that developers have to produce are public. They are available and have to be discussed, and local councils should have access to them. I agree with what my hon. Friend said about carbon impact, but I believe—

Mr Philip Hollobone (in the Chair): Order.

4.59 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): Thank you, Mr Hollobone; it is a pleasure to serve under your chairship. I congratulate the hon. Member for Newton Abbot (Anne Marie Morris) on securing this particularly important debate.

Since 2010, housebuilding has fallen to its lowest level since the 1920s. Rough sleeping has risen every year, rents have shot up faster than incomes, there are almost 200,000 fewer homeowners and new affordable housebuilding is at a 24-year low. Meanwhile, average house prices are at a record high of almost eight times the average income, yet we wonder why home ownership is at its lowest level in Britain since 1985.

In reality, although 1.2 million people are on housing waiting lists across our country, this Government delivered just 6,464 social homes in 2017-18. That is simply diabolical when compared with the 150,000 social homes delivered every year in the mid-1960s. The evidence is clear: it has been done before and can be done again.

The housing crisis is about the reality behind those statistics. I am tired of the endless reports, countless debates, fruitless words and lack of action. The Government have a house building target of 300,000 new homes per year, but they simply cannot keep willing the completion of more homes without finding the means to provide them. Here are some of those means.

Hugh Gaffney (Coatbridge, Chryston and Bellshill) (Lab): North Lanarkshire Council is the biggest homeowner in Scotland. Some £160 million has been invested in 1,000 houses, on top of 800 new houses. North Lanarkshire is leading the way in Scotland. More of that can be done by the Scottish and UK Governments.

Siobhain McDonagh: I thank my hon. Friend for his intervention.

First, it is time to burst the myth that the green belt is green and start using the non-green sites for the homes that our children so desperately need in London alone. There are garage sites, waste plants and deserted scrublands all posing as green-belt land. Would we rather use them for homes that our young people can afford to buy, or are we happy for scrappy plots of land and non-green-belt land to remain wrongly designated as green belt just because of the potential furore that de-designation may cause?

Secondly, the Government should introduce planning policy guidance so that all new building on public sector sites is considered for social housing in the first instance. Thirdly, is it not time to end the taboo and encourage the building of modular homes? They are cheap, efficient, quick to build and can last for up to 120 years.

Fourthly, why are the Government not introducing more punitive action for the 200,000 homes currently lying empty across our country? Fifthly, how about increasing the surcharge for the 10% of people who own a second property before so many even own their first? Sixthly, the Government should introduce punitive or preventive action for land bankers. After all, if the Government started unlocking their own land bank, the private sector would rush to follow.

Seventhly, what about reducing the proportion needed to buy into shared ownership, from 25% to 5%? Eighthly, could the Government not incentivise more building of specialised accommodation for the elderly, thereby releasing some of the current housing stock? Ninthly, it is time to prioritise locally, especially in the capital. Londoners should have first option on local properties before they are sold off internationally and are likely to remain empty.

Finally, how about directing pension funds into residential investment? As my hon. Friend the Member for Croydon Central (Sarah Jones) will know, Legal & General bought 167 homes in Croydon and leased them back to the local council over 40 years, for homeless families. Those are just some suggestions. In the name of all the families who we see every week at our advice surgeries, let's get building!

5.3 pm

Dr David Drew (Stroud) (Lab/Co-op): I am delighted to serve under your chairmanship, Mr Hollobone. I thank the hon. Member for Newton Abbot (Anne Marie Morris) for introducing the debate. The Minister will no doubt know what I am going to talk about because we have talked about it privately, but I will put it on the public record. He has been very helpful in his response, but I hope that he will be a little more helpful.

Stroud District Council wants to build more affordable houses and is prepared to accept a bigger housing number overall. It is particularly proud of its reputation for social housing. The problem is that, as it currently stands, the methodology makes it difficult for us to meet the numbers that we are now required to meet, which are well above the numbers in the plan that we negotiated a few years ago.

The current methodology starts with the average level of household growth projected over 10 years, which it then adjusts based on a relative balance between median house prices and earnings, with a larger adjustment for areas with higher ratios. It then caps the level of adjustment to 40% above the housing requirements adopted in the post-national planning policy framework local plans. That sounds a bit like gobbledegook, but it basically means that, in the case of Stroud in Gloucestershire, we now face an increase on our local plan from 448 a year up to 635 a year, which is a 39.3% increase. Tewkesbury and the Forest of Dean also face large increases but, quite bizarrely, Gloucester and Cheltenham face a decrease. They have always been somewhat in parallel with Stroud, so it seems bizarre that we have come up with a methodology that affects us in that way.

One thing that the Minister could look at is the five-year migration flow, which seems to make a dramatic difference. We accept the uplift in terms of the household projections because we have a larger population, but the affordability ratio has taken us from 503 to 635 a year, and that matters, because that makes things more difficult,

[Dr David Drew]

rather than easier. The numbers mean bigger sites. Some of our good, smaller sites are not being brought forward.

There is also the issue—as the Minister knows well—of the viability assessment. I went to a meeting of the all-party parliamentary group for housing and planning. I was pleased to hear the Minister's officials say that they are looking carefully at that and intend to make it much more transparent, including publishing section 106s, which would be a very good thing, because we have always had our suspicions about what happens to those behind the scenes.

The additional problem is that we are still included within the same rent allowance area as Gloucester, which means that, because rents are higher in Stroud, people are faced with a top-up. I know that the Minister will not have the chance in this short debate, but I would appreciate it if he looked carefully at disaggregating rent level areas again, because otherwise it makes it punitive for those who want to rent in Stroud but cannot afford to pay the top-up.

In conclusion, we need to produce more housing. Everyone is pushing the Minister towards more housing. The Government have the laudable aim of building between 270,000 and 300,000 new homes. We will do our part in Stroud, but we cannot rely just on the larger sites. We have two bids in for the garden communities—I do not know if the Minister will address where those bids have got to—but I suspect that we do not have the capability or the capacity to deliver one of them, let alone both, because of the numbers required.

My plea to the Minister is to look at how the calculation has been arrived at, to give us more realism, so that we can play our part but do not end up with a huge shortfall, which will end up being hammered at the next local plan stage. That would seem unfair, given that we have tended to meet our level of housing in the past and would like to do so in future.

5.8 pm

Martyn Day (Linlithgow and East Falkirk) (SNP): It is a pleasure to serve under your chairmanship, Mr Hollobone. I am grateful to the hon. Member for Newton Abbot (Anne Marie Morris) for introducing this debate. She covered a range of issues and challenges, including mental health, the environment and local infrastructure.

We also heard from the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy), who covered the issue of land banking. The hon. Member for Henley (John Howell) covered housing need and a change to a methodology based on ONS figures. The hon. Member for Mitcham and Morden (Siobhain McDonagh) covered a range of issues, including the cost of housing and average wages, and a whole range of ideas for how we can build more houses. Her key message was “Let’s get building”, with which I wholeheartedly agree. The hon. Member for Stroud (Dr Drew) also raised issues with the current methodology and the need to provide more housing. I think we can all agree, no matter where we are in the country, that we need more houses.

Ensuring that everyone has a safe, warm and affordable home is central to a fairer and more prosperous society. People want to live in the communities to which they

are affiliated or that offer employment, which often means that they might not want to live in a nearby town a few miles down the road.

Housing and planning are both devolved to Scotland. Sometimes in these debates, I feel like an international observer, but today so much is in common that there is a lot there and perhaps a few things that we can all learn from one another. In Scotland, the SNP is on track to deliver an ambitious target of 50,000 affordable homes in the lifetime of the current Scottish Parliament—which will expire in 2021—backed by a £3.3 billion investment. It is incredible to remember that when the SNP came to power in Scotland, the previous Administration had built just six council houses across the entire country.

By contrast, under the SNP, 20,255 new build homes had been completed across all sectors in the year ending in December 2018, which is an increase of 15%, or 2,669 homes, on the previous year. In the year to the end of March 2019—these figures only came out today, so I had to rewrite my script rapidly this morning at short notice—there were 1,413 council house completions. The total number of social sector completions, including housing associations, was 5,582, which is a 22% increase on the previous year. We need to build far more, but we are going in the right direction and a lot of lessons can be learned from that. The latest statistics show that the Scottish Government have now delivered almost 90,000 affordable homes since 2007. In the year to the end of March 2019, affordable housing supply completions totalled 9,535, up 12%, with 11,130 affordable housing approvals over the same period. We are going the right way.

The Scottish Government are providing more than £756 million for affordable housing this year, and that will increase by £70 million next year. Councils have been given long-term planning assumptions to March 2021. The Scottish Government will continue to lead the way on affordable housing supply in Scotland. In the four years to 2018, 50% more affordable housing units per head of population have been delivered than in England. That is something that we can be proud of, although we still need to build far more houses.

The Scottish Government are taking a range of other actions to bring empty properties back into use. This is an important area. I was shocked to read about the number of long-term empty homes in England, which is now estimated to be more than 216,000. Estimates put the figure in Scotland at about 37,000, but those figures are from different sources so I cannot compare them directly. The SNP supports the Scottish Empty Homes Partnership and a network of dedicated empty homes officers across Scotland. Since 2010, the partnership has been instrumental in bringing more than 2,800 empty homes back into use. There is obviously far more we can do and we are committed to that programme, so we will double support for the partnership from £212,500 in 2018 to more than £400,000 in 2021. We can all learn a lot from one another's practice in housing.

5.12 pm

Sarah Jones (Croydon Central) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone.

I welcome the debate and congratulate the hon. Member for Newton Abbot (Anne Marie Morris) on securing it and on saying a lot of sensible things on which a lot of us can agree. I would like to say a big thank you to the

hon. Member for Henley (John Howell) for managing to reduce the quantity of reading on the NPPF that the rest of us have to do. Even though the Opposition think that we can beef it up, we certainly want fewer pages and less red tape. I congratulate my hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) on her barnstorming 10-point plan for housing, which would provide the homes we need and was powerful to hear.

There is much agreement in the Chamber. We are not building enough homes, those that we do build are not often affordable, the right infrastructure is not necessarily in place and no single policy can solve that. We have big structural problems with our housing system, caused by years of Government neglect and market failure.

As my hon. Friend said, we have to remember what we are doing this for. Rough sleeping has more than doubled since 2010, 120,000 children are in temporary accommodation, home ownership is down, with 1 million fewer young home-owning households than in 2010, and we have an insecure private rented sector. In the private rented sector, homes are often in poor condition and 1.3 million children live in poverty. About a quarter of those children would not be in poverty if they had access to social housing. The cost of private rents is driving families into poverty.

The record on house building since 2010 has contributed to the crisis. House building is still well below the levels needed, and it has not recovered to where it was before the global financial crisis. Half of local authorities are set to miss their targets for new homes, while developers get away with paying less for infrastructure. House prices and developer profits have been inflated artificially by Help to Buy, while the supply of genuinely affordable homes has plummeted. The past two years have seen the lowest levels of homes for social rent built since the second world war—as my hon. Friend said, about 6,500 socially rented homes.

There have been flaws in how the Government have managed house building targets and in their approach to planning more broadly. As the hon. Member for Newton Abbot said, the methodology for calculating local house building targets is flawed, and the National Audit Office confirmed that the system is not working well. The NAO also noted that reducing the target for certain regions could hamper local authority plans to regenerate and to stimulate economic growth.

Too often, councils are losing their grip over planning policy. Too many are still without the up-to-date local plan and five-year land supply that they need to avoid developers overruling them and building the wrong types of homes. The gap between homes granted planning permission and homes built is at its widest on record and, as my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) said, land banking is a huge problem that we need to tackle. After years of cuts to local authority funding, many councils simply do not have the capacity and the expertise to negotiate effectively with developers to deliver the homes we need. Local authority spending on planning and development has halved since 2010, and the NAO has questioned whether councils have the necessary commercial skills.

Labour's approach to house building is fundamentally different. We believe we should be more ambitious, not less. We need more homes, which need to be genuinely

affordable. As the hon. Member for Newton Abbot said, we need to define in some way what we mean by “affordable”. Labour would redefine in legislation what “affordable” is, linking it to earnings as well as house prices. Our green paper on affordable housing, “Housing for the Many”, sets out our plans to build 1 million genuinely affordable homes over 10 years, including the biggest council house building programme in nearly 40 years. We must return councils to their rightful place as major builders of homes, and we have been clear that we would restore the national grant investment to the £4 billion a year it was at the end of the last Labour Government.

Our campaigning has had some wins. We are glad that the Government agreed to lift the housing revenue account cap and to close the viability loophole, which gave developers a get-out clause on affordable housing. However, the decision to back Labour and lift the cap on council borrowing to build council homes means little if Ministers will not suspend the right to buy, support the half of councils without a housing revenue account to set one up, or provide much more central Government funding to councils.

I look forward to the Minister's response to the debate. Will he push for a major building programme of affordable housing as part of the next spending review, set new affordable housing targets and respond to Labour's call for new powers to end land banking through housing delivery contracts?

5.17 pm

The Minister for Housing (Kit Malthouse): It is a great pleasure, as always, to appear under your accurate and well controlled chairmanship, Mr Hollobone. A number of Members have raised myriad issues, literally two or three dozen different, particular and technical ones, which my team will attempt to respond to in writing. I will cover some of the major ones.

I congratulate my hon. Friend the Member for Newton Abbot (Anne Marie Morris) on securing this important debate. House building is at the heart of so much of Government priority at the moment and has been a big part of my life over the past 12 months or so. We will see how much longer that lasts. A number of specific situations have been raised by Members, but I hope that they appreciate my position in the planning system and the quasi-judicial position of the Secretary of State. It would be inappropriate for me to comment on particular issues and local plans, such as Teignbridge, but I can talk more broadly about some of the issues.

Before I do that, I will say that I have found over the past 12 months a slightly debilitating attitude in some of our debates, which speaks of the problems we have in the housing market—there are certainly ones that need to be addressed—as if they suddenly arrived in 2010 and there had not been a general failure of Governments over a number of decades to build the houses that we need. Under the last Labour Government, the peak in house building was 223,000 a year. We hit broadly the same figure last year, after 10 years of recovery in a housing market that had been decimated in the financial crash. An inability and unwillingness to acknowledge that does a disservice to the general public. Presenting a series of silver bullet solutions to a very complicated and difficult problem does not

[*Kit Malthouse*]

illustrate to the public that all parties across the House are joined shoulder to shoulder to build the homes that the next generation needs.

I am pleased that there is general cross-party agreement that a target of 300,000 homes or thereabouts—1 million homes over 10 years, which is about 100,000—

Sarah Jones: Affordable homes.

Kit Malthouse: Affordable homes as well. That is critical. It would be helpful if, from time to time, the hon. Member for Croydon Central (Sarah Jones) acknowledged, as she did in the latter part of her speech, some of the things that the Government have done to get us towards 222,000 homes and to move beyond that in the months to come.

On the major subject of the debate, local housing need, we introduced a standardised approach to assessing housing need locally, as my hon. Friend the Member for Henley (John Howell) mentioned. We published that in July last year in the national planning policy framework, after extensive consultation to speed up and reduce the cost of plan making, to make that process more transparent and accessible.

In practice, all councils should make a realistic assessment of the number of homes that their communities need and they should use the standard method as the starting point, not the end point in the process. That starting point is used to identify the minimum number of homes needed every year. What the standard method does not do, however, is provide a maximum number of homes needed, nor does it provide a target that must be planned for. Development should not progress at any cost, and local circumstances should be taken into account. We need to make sure that constraints are considered and that we find the right places for homes, having regard to those constraints.

We need to ensure that the right infrastructure is in place, as my hon. Friend the Member for Newton Abbot said, and that we underpin all development with good design principles. Local authorities are best placed to do that; through the production of development plans they should set out how to meet the needs of their communities. It is vital that local authorities plan sustainable communities, as my hon. Friend also mentioned, delivering homes that people want to live in. As part of that, we need the right types of infrastructure ready to support the delivery of new homes. Identifying the infrastructure needed to support growth will be an important aspect of local plan making. It is only by identifying what is required that it can be planned for and delivered.

To support that delivery, we are providing grants to local areas. Through the £5.5 billion housing infrastructure fund, we will help to deliver the infrastructure that is needed. I am pleased that Teignbridge District Council will benefit from the fund, having successfully bid for £4.9 million of marginal viability funding, to unlock 315 homes by investing in the Dawlish link bridge. I am also delighted that in the wider Devon area, the successful south-west Exeter bid for forward funding will provide over £55 million to unlock 2,500 new homes, delivering road improvements, suitable alternative natural green space, GP surgery facilities and strengthened utilities provision. That money is going towards ensuring that planned new development is supported by the infrastructure that the community needs.

The planning system should be genuinely plan-led, with up-to-date plans providing a framework for addressing environmental, social and economic priorities for an area. Local plans are prepared in consultation with communities and play a key role in delivering necessary development and infrastructure in the right places. Community participation is vital in that. The best plans are those in which communities have been effectively engaged throughout the process. Having an up-to-date plan in place is essential to plan for housing, providing clarity to communities and developers about where homes and supporting development should be built and where not, so that development is planned for rather than being the result of speculative planning applications.

Through the revised national planning policy framework, we have made significant reforms to make it easier and quicker to get a plan in place. We have introduced flexibility in plan making, with a new, more flexible plan-making framework and an expectation that plans are kept up to date through review at least every five years. That ensures that local people have the opportunity to engage with the local plan process regularly, and that a plan stays relevant to the community it is prepared for. In addition, neighbourhood planning gives communities direct power to develop a shared vision for the future of their area, and to shape development and growth. I am very pleased to have a neighbourhood planning champion in the debate—my hon. Friend the Member for Henley.

Communities can decide the location of new homes, employment, shops and services, protect local green spaces and heritage and set policies on the design of new buildings. Producing a neighbourhood plan can bring the wider community together in the creation of that shared vision, through the consultation and engagement process. Over 2,600 groups have started the neighbourhood planning process since 2012, in areas that cover 14 million people. I welcome the fact that four neighbourhood plans have been made in the constituency of my hon. Friend the Member for Newton Abbot, and I acknowledge the contribution that those plans make to community involvement in the process.

My hon. Friend went through a list—I think I wrote down 11 specific points—of issues that she wanted to raise. I want to address one or two of them, but I will respond to the rest in writing. There were a number of misapprehensions, if I may say so—that may be my fault because I have not communicated to her some of the things we are doing. She talked about the requirement for new villages. Could we plan for new garden villages? We do have a garden villages programmes and are supporting 23 garden villages. We put a prospectus out for more in December last year, expecting to get back a few dozen applications, but we got 100 back. There is a lot of hunger and ambition in local authorities to do exactly that.

On broadband, I agree with my hon. Friend that we want it to spread across the community. It is certainly part of planning guidance that those kinds of facilities should be provided. While not mandatory, local authorities can, through their local plan, encourage developers to put that kind of facility in place. A number of hon. Members mentioned viability, section 106 and transparency; we are moving to make sure that section 106 agreements are published, not only so we can see what our local authority is producing for a local community but to compare the performance of our local authority to that

of its neighbours. Some local authorities do well on section 106 negotiation and others not so well, so to be able to see across the piece is key. Viabilities should be open, transparent and publically available, so that local people can see what is being done in their name.

My hon. Friend mentioned support for small developers; she is right that in the crash of 2007-08, about 50% of small developers were wiped out. They used to produce over half of new homes in this country; obviously, that number has fallen significantly. Part of the challenge of getting up to that 300,000 number will be stimulating a whole new generation of developers—both new ones and expanded existing ones. We are putting significant funding and assistance behind helping them to do so. We have a large fund of £1 billion with Barclays, seed funded by Government and with Barclays putting in the rest, specifically to support small developers.

There was a lot of emphasis on our increasing capacity by using modern technology and construction methods. Modular homes are the way to go. Again, we are putting significant amounts of money behind stimulating that market and the adoption of new building techniques. I have challenged large and small developers not to be the Kodak of house building and to ignore technology at their peril, such that they might be rendered obsolete. It is coming; we reckon there are something like 30 factories across the UK that produce modular homes. There is much more that we can do and we are keen to stimulate that.

The hon. Member for Mitcham and Morden (Siobhain McDonagh) raised a number of points, many of which we are actually taking up. We have made second home owning more expensive, we are attracting institutional funding into housing and, as she knows, we have given local authorities the ability to change green belt boundaries if they wish, subject to a high bar.

I want to finish by thanking everybody for participating in what has been a detailed debate for just an hour. While we will respond to the points raised, I urge hon.

Members please to refrain from imagining that there is some simple solution to the housing crisis in this country. It is a complicated landscape, but we are applying as much energy and industry as we can to building the hundreds of thousands, nay millions of houses that the next generation needs.

5.28 pm

Anne Marie Morris: I thank all the contributors to this debate; there are some things on which we are in violent agreement. I thank the Minister for his reply, particularly the further reply that we are all expecting to the points that we made. However, the question of validating numbers is still unanswered. I ask the Minister to look at how they can be validated because—as other hon. Members have said—sometimes, local authorities are asked to do the impossible. We all want to provide the houses, but we do not have the means to do it. I would like the Minister to focus on giving local authorities more power to do what he says they are authorised to do. Without the money, they cannot enforce and deliver the things that the Minister would like.

We still have not addressed the link between house prices and wages; I would like the Minister to look at that as a matter of urgency. He did not have a chance to respond on the environmental issues; I am pleased to hear about the new villages programme, but we need to look at need. It is not just a bottom-up issue, of “this is what we need;” it is also a top-down issue, as my hon. Friend the Member for Henley pointed out. Some communities will simply not be able to absorb that need. The Government need an overall strategy to put that together. I thank the Minister for taking that on board and I thank all Members for their contributions.

5.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statements

Tuesday 11 June 2019

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

Smart Data: Consultation

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Kelly Tolhurst): Today I will be placing a copy of a consultation document entitled: “Smart Data: Putting consumers in control of their data and enabling innovation” in the Libraries of both Houses. This outlines the conclusions of the Smart Data Review that was announced in the Modernising Consumer Markets Green Paper and consults on future action by the Government.

The consultation sets out our vision for an economy where consumers’ data works for them and not against them. Data needs to be smart: easily and instantly accessible to consumers and be able to be safely and securely transferred to third party services who can use this data to provide innovative services for consumers. This is what we mean by smart data.

The consultation focuses on introducing new smart data initiatives to improve consumer outcomes and promote innovation in regulated markets. The key proposals we are consulting on include:

Accelerating the development of innovative data-driven services through the establishment of a new cross-sectoral smart data function to support, manage and govern the delivery of smart data initiatives

Introducing an open communications initiative in the telecoms market to require communications businesses to provide consumers’ data to third party providers at the consumer’s request to increase switching and stimulate innovation

Establishing a vulnerable consumer challenge to encourage data-driven innovation to improve outcomes for vulnerable consumers

Introducing strong data protection requirements and a cross-sectoral approach to regulation of third-party providers using smart data to build trust and minimise burdens on business.

These initiatives build on the approach in open banking, which is enabling consumers to ask their bank to share their current account transaction data securely with third parties. We have seen an explosion of new services that seek to make life easier for consumers—for example, through bringing together their current accounts into one platform or finding new ways to help consumers build an accurate credit score.

As announced by the Prime Minister yesterday, we are also signalling our agreement with the recommendation of the digital competition expert panel’s recommendation to establish a new digital markets unit to promote, among other things, data mobility and data openness across all sectors. As we take forward proposals on smart data, we will work closely to co-ordinate and integrate the recommendations as appropriate.

[HCWS1612]

Regulation

The Minister for Universities, Science, Research and Innovation (Chris Skidmore): I am pleased to announce to the House today the approach that the Government will take to develop a regulatory system fit for the industries of the future.

The fourth industrial revolution is characterised by rapid technological change that has the potential to transform our economy for the good. It can drive the creation of new sectors, powered by breakthroughs in areas such as artificial intelligence and robotics. It can help us find new ways of diagnosing and treating diseases or novel approaches to cutting carbon emissions and tackling climate change. It can give consumers greater choice and lower prices through greater competition.

To seize the opportunities that this wave of new technology brings, we must ensure that our regulatory system is open to innovation while maintaining protections for citizens and the environment. The need for reform is urgent: 92% of businesses from a range of sectors think they will feel a negative impact if regulators do not evolve to keep pace with innovation in the next two to three years.

We start from strong foundations. We are ranked among the top 10 global economies by the World Bank for the ease of doing business in the UK, with the quality of our regulatory practices given the highest overall country score by the Organisation for Economic Co-operation and Development. Our regulators have pioneered cutting-edge approaches such as regulatory sandboxes, which have been emulated across the world. But we must not stand idle as change approaches.

Our modern industrial strategy committed to developing a new agile approach to regulation that supports innovation and protects citizens and the environment. The White Paper on regulation for the fourth industrial revolution sets in motion the reforms our regulatory system needs to meet that commitment, building on recommendations made by the Council for Science and Technology.

We will establish a Regulatory Horizons Council to advise the Government on regulatory reform needed to support the rapid and safe introduction of technological innovation. The council will complement and draw upon existing horizon-scanning activity across government to put the UK at the forefront of the industries of the future. The council will also advise on where greater public dialogue is needed to build trust in how innovation is regulated.

We will consult on a digital regulation navigator for businesses to help them find their way through the complex regulatory landscape and engage with the right regulators at the right time on their proposals. We will also consult on measures to enhance co-ordination between regulators to ensure that innovations are guided smoothly through the system.

We will support regulators to play a greater role in the innovation economy, including reviewing the case to extend the regulators’ pioneer fund. We will also pilot an innovation test so that the impact of legislation on innovation is considered as it is introduced, implemented and reviewed.

Building on our global leadership in regulatory practices, we will enhance our influence by establishing a partnership with the World Economic Forum centre for the fourth industrial revolution to develop regulatory approaches for new technologies.

[HCWS1613]

HOME DEPARTMENT

Security and Intelligence: Implementation Stock-take

The Secretary of State for the Home Department (Sajid Javid): Following the 2017 terrorist attacks in Manchester and London, MI5 and counter-terrorist policing conducted a review process which looked at how intelligence was handled prior to the Westminster, Manchester, London Bridge and Finsbury Park attacks, and also produced an operational improvement review to identify changes to improve their future performance.

My predecessor as Home Secretary asked David Anderson QC (now Lord Anderson of Ipswich KBE QC) to provide independent assurance of those reports. Lord Anderson published his assessment of the review process in December 2017.

My predecessor commissioned Lord Anderson to conduct a stock-take of the progress made by January 2019 in implementing the recommendations that had been generated by the review process.

Today, the Government are publishing Lord Anderson's public summary of his stock-take. Lord Anderson has also provided me with a classified report, which has been copied to the Intelligence and Security Committee of Parliament and Investigatory Powers Commissioner.

In his stock-take, Lord Anderson says that implementation of the recommendations has been tackled with energy and commitment. He notes that as of January 2019 85% of the 104 recommendations were complete or on track for delivery. He also notes that, with very limited exceptions, recommendations were forecast to be complete on schedule, by the end of the year. He does however note some remaining obstacles for delivery of the remaining recommendations, which are set out in his report.

My Department will work closely with MI5 and CT policing on delivery of the remaining recommendations over the coming months.

My thoughts remain with the victims and all those affected by the 2017 attacks in Westminster, Manchester, London Bridge, Finsbury Park and Parsons Green.

Copies of the unclassified stock-take report will be made available on gov.uk and will be placed in the Libraries of both Houses.

[HCWS1611]

ORAL ANSWERS

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**not later than
Tuesday 18 June 2019**

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