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HOUSE OF COMMONS
OFFICIAL REPORT

PARLIAMENTARY
DEBATES

(HANSARD)

Monday 25 January 2021

HER MAJESTY'S GOVERNMENT

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(FORMED BY THE RT HON. BORIS JOHNSON, MP, DECEMBER 2019)

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Monday 25 January 2021

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-EIGHTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 17 DECEMBER 2019]

SIXTY-NINTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES

VOLUME 688

TWENTIETH VOLUME OF SESSION 2019-2021

House of Commons

Monday 25 January 2021

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Virtual participation in proceedings commenced (Orders, 4 June and 30 December 2020).

[NB: [V] denotes a Member participating virtually.]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Disabled People: Support for Shielding

Justin Madders (Ellesmere Port and Neston) (Lab): What steps her Department has taken to provide financial support to disabled people required to shield during the covid-19 lockdown announced in January 2021. [911259]

Bill Esterson (Sefton Central) (Lab): What steps her Department has taken to provide financial support to disabled people who are required to shield during the national lockdown. [911262]

Mr Virendra Sharma (Ealing, Southall) (Lab): What steps her Department has taken to provide financial support to disabled people who are required to shield during the national lockdown. [911284]

The Minister for Disabled People, Health and Work (Justin Tomlinson): People who are advised to shield and are unable to work from home may be furloughed. Those who are not furloughed may be eligible for a range of other financial support, including statutory sick pay and new-style employment and support allowance, both of which remain payable from day one of a claim. Where eligible, a claim may also be made to universal credit.

Justin Madders: Many disabled people are on legacy benefits, which of course means they have not had the £20 a week universal credit uplift that has been made available. As the Government did not vote against our motion last week to retain that payment, I presume that they understand the value of retaining it, so will they now do the right thing and ensure that all disabled people have access to that extra cash?

Justin Tomlinson: We have shown as a Government the support we are providing, including over £9 billion of extra welfare support. Those on legacy benefits will have benefited from the annual uprating. Depending on individual circumstances, if a claimant would be better on universal credit, they can look to transfer over.

Bill Esterson [V]: There are 2.2 million people who are having to shield. Many disabled people cannot work from home and do not qualify for furlough, and sick pay is only £95.85, which does not even come close to the definition of doing what it takes to look after people, which the Prime Minister tried to use on Thursday. May I push the Minister not to give the same tired answer about what he has done for other people but to answer the question that my hon. Friend the Member for Ellesmere Port and Neston (Justin Madders) has just asked? When are the Government going to give support to disabled people so that they can be protected and stay at home?

Justin Tomlinson: The level of statutory sick pay is just part of the safety net; people may also be eligible for new-style ESA or universal credit, and for those disabled

people who are looking to work from home, we have extended the support that is available through Access to Work, allowing for people to have additional support for their needs or equipment. That is something that we will keep in place beyond covid.

Mr Virendra Sharma [V]: I thank the Minister for his response, but it was not very satisfactory, so I will give him another opportunity to give a more concrete answer. When will he end the discrimination against disabled people and offer the same uplift that universal credit claimants have been given to legacy claimants on employment and support allowance and jobseeker's allowance, which disproportionately support the disabled?

Justin Tomlinson: Further to the principle that if a claimant could be better off on UC than on legacy benefits they have the ability to apply to go on to UC, as a Government we have increased support for people with disabilities through the main disability benefits by an extra £3 billion in real terms since 2010. We are proud of our record.

Stephen Timms (East Ham) (Lab): But people claiming severe disability premium cannot switch to universal credit; they are not allowed to. The costs facing many in that group have increased by more than average during the pandemic. Why is that particular group denied the £20 a week increase?

Justin Tomlinson: The SDP gateway comes to an end in a couple of days, so those claimants will also be able to see whether they would be better off under universal credit. However, as I said, it is part of the wider support available, and those with disabilities in particular will have benefited from the annual uprating increases in disability living allowance, personal independence payment and attendance allowance. That is how we have delivered the additional £3 billion-worth of support in real terms for those with disabilities and health conditions.

Vicky Foxcroft (Lewisham, Deptford) (Lab) [V]: May I just say how utterly disappointing it is still to have no uplift to legacy benefits 10 months into this crisis? Since the start of the pandemic, shielding people have been an afterthought. The increased costs they are facing are doing untold damage to their lives, and the Government's solution of claiming statutory sick pay is woefully inadequate. Will the Government finally do the right thing and ensure that shielding people and people having to isolate are furloughed? Guaranteed furlough from day one would help people stay home and support businesses up and down the country.

Justin Tomlinson: I would hope the shadow Minister welcomes the continued and extensive support the Government have provided through schemes such as furlough, the additional £9 billion in welfare support, and, specifically for those who are clinically extremely vulnerable, the second £32 million additional support provided through local authorities to help those following the shielding guidance. In these critical times, certainty is vital. Perhaps the shadow team should reflect on that with their random decision to try to cancel universal credit, which has stood up so well to support those people in the most need during these unprecedented times.

Benefit Cap

Kevin Brennan (Cardiff West) (Lab): What recent representations she has received on removing the benefit cap. [911260]

The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies): The proportion of individuals capped remains very low in relation to the overall UC case load and exemptions continue to apply. There remains a statutory duty to review the cap within this Parliament. However, we are in an unusual economic period, and any decision will need to consider potentially counter-intuitive and shifting trends.

Kevin Brennan [V]: I thank the Minister for that answer, but at a time when all of us know constituents who are struggling through the crisis which has brought them such hardship through no fault of their own, are the Government really going to impose the benefit cap on tens of thousands of families with children when the so-called "grace period" comes to an end? Is that really true? If it is, can she tell me this: how is that fair?

Mims Davies: The benefit cap provides fairness for hard-working tax-paying households as a clear incentive to move into a job where possible. Universal credit households are exempt from the cap if the household earnings are at least £604 a month. I reiterate to the House that the amount of individuals capped remains very low in comparison to the UC case load, at around 3%.

Covid-19: Child Poverty

Wes Streeting (Ilford North) (Lab): What recent assessment she has made of the effect of the covid-19 outbreak on trends in the level of child poverty. [911261]

Chris Elmore (Ogmore) (Lab): What assessment she had made of the effect of the covid-19 outbreak on trends in the level of child poverty. [911274]

The Parliamentary Under-Secretary of State for Work and Pensions (Will Quince): Her Majesty's Treasury's analysis has shown that the Government's comprehensive £280 billion response to the pandemic, including a temporary and emergency £6 billion increase to welfare support specifically designed to help low-income families, has supported the poorest working households the most, with the poorest 10% of working households seeing no income reduction.

Wes Streeting [V]: It has been clear from what Department for Work and Pensions Ministers have said to the House and in the media that they understand the real difference the £20 a week universal credit uplift has made to some of the poorest families. Given that we know withdrawing that uplift will plunge huge numbers of people into poverty, including 300,000 children, why are Ministers having such a difficult time persuading the Chancellor to do the right thing by the poorest families and tackling child poverty?

Will Quince: We are in active discussions with Her Majesty's Treasury regarding the £20 universal credit uplift. No one in this House wants to see anyone in poverty. I understand the hon. Gentleman's ask and it comes from

the right place, but I would just push back a little and say that, over and above the £100 billion we spend annually on benefits for working-age people to support those facing the most financial disruption throughout this pandemic, we have invested several billion pounds more. The Chancellor of the Exchequer has an unenviable task, but I point out to the House that my right hon. Friend has a proven track record of stepping up and supporting the poorest and most vulnerable in our society. I have no doubt he will continue to do so.

Chris Elmore [V]: I understand, without a shadow of a doubt, that the Minister cares deeply about this issue, but I listened to the Secretary of State this morning on broadcast media saying that she was not able to set a particular date because of the active conversations in the Treasury. The Minister just gave the same answer to my hon. Friend the Member for Ilford North (Wes Streeting). Why is the Chancellor not listening? Is he tin-eared on this issue? We are talking about 600,000 extra children in poverty since this Government came into office in 2010. The £20 uplift provides certainty and these people need that security desperately. We cannot be a nation where there are more and more children living in absolute poverty, and more and more families living without savings. That simply is not good enough. I ask the Minister to challenge the Chancellor and ensure we stop more children going into poverty.

Will Quince: As I have said, the universal credit uplift is still in place for the remainder of this tax year. Discussions remain ongoing with Her Majesty's Treasury, and a decision on the future of the universal credit and working tax credit uplift will be taken by the Chancellor of the Exchequer in due course.

Ms Karen Buck (Westminster North) (Lab) [V]: But the number of children in poverty has increased by 600,000 after housing costs since 2010, and that has been in substantial part due to the £9 billion that the Government have withdrawn from social security since 2015 alone. The universal credit uplift and other measures taken since the beginning of the pandemic will have reduced the number of children living in poverty to 300,000, but can the Minister confirm that if the Government proceed with ending the £20 UC uplift, together with rising unemployment, that will mean, by the end of this Parliament, that they will have seen 700,000 more children cast into poverty than at the beginning?

Will Quince: We take the issue of poverty, and tackling poverty, incredibly seriously, and as I made clear, active discussions are ongoing with Her Majesty's Treasury. But I have to say that I fundamentally disagree with the approach of Labour party: simply throwing money at our benefits system—an approach that, under the last Labour Government, left a generation trapped on benefits, trapped in poverty and incentivised not to work by punitive cliff edges in the legacy benefit system. We will not be going back to those dark old days. We know that work is the best route out of poverty and, under universal credit—our modern, dynamic, agile system—work always pays.

Poverty Levels

Alan Brown (Kilmarnock and Loudoun) (SNP): What recent assessment she has made of trends in the level of poverty. [911263]

Stephen Flynn (Aberdeen South) (SNP): What recent assessment she has made of trends in the level of poverty. [911272]

Patricia Gibson (North Ayrshire and Arran) (SNP): What recent assessment she has made of trends in levels of poverty. [911273]

The Secretary of State for Work and Pensions (Dr Thérèse Coffey): Tackling poverty and levelling up opportunity will always be a priority for this Government, while using universal credit, which works for the labour market, to encourage people to move into and progress in work. There are several measures of poverty in the annual publication “Households below average income”—which is based on the annual family resources survey—of which absolute poverty before housing costs is the measure on which the Government most focus. Since 2010, 400,000 people have been lifted out of absolute poverty, including 100,000 children, and additionally, the rates of combined material deprivation and low income for children were at their joint lowest, at 11%, in 2018-19.

Alan Brown [V]: Child poverty is a disgrace in the UK and it is strongly linked to welfare payments. Quite clearly, more people are going to be pushed into poverty if the Tory Government continue with their planned cut to the £20 uplift in universal credit and the working tax credit. Ministers have ducked this all day, but given that the Government did not vote against the motion last week, they have a duty to honour that motion, so will the Secretary of State confirm what discussions she has had with the Chancellor about retaining the vital £20 uplift?

Dr Coffey: I updated the House in November and did say that we would be reviewing this in the new year. That is exactly what we are doing, and I am actively considering with the Chancellor the best way to continue to try to support people who are impacted on strongly by the economic impacts of this pandemic.

Stephen Flynn [V]: Between November 2019 and November 2020, the number of universal credit claimants in Aberdeen South had risen by 188.7%, and any move to cut the £20 universal credit uplift would have a catastrophic impact that would ultimately exacerbate poverty levels. So let us try again: can the Secretary of State confirm that she has made personal representations to the Chancellor on maintaining the full £20 uplift, and if so, and he chooses to ignore her, will she resign?

Dr Coffey: As often happens, as the hon. Gentleman will know from the Scottish Government Administration, Government Ministers tend to have discussions about policy while they are considering it. It is important, recognising the scale of the support that the Government have given to families, businesses and so on, that we continue to make these important decisions based on evidence in a competent, considered and compassionate way. That is exactly what the Chancellor and I will be doing in our recommendations for the Prime Minister.

Patricia Gibson [V]: Unless the universal credit and working tax credit uplift is made permanent, a further 60,000 people in Scotland, including 20,000 children, will be pushed into poverty. If this support is not extended beyond March, and if tackling poverty is a priority for

the Secretary of State's Government, as she says, will she set out what alternative and additional measures her Government intend to bring forward to tackle child poverty, which shamefully still affects 30% of children across the UK?

Dr Coffey: I have already set out the approach and discussions that the hon. Lady can be assured I am continuing to have with other Ministers, including the Chancellor. It is fair to say that we are very conscious that one of the ways to try and help people get out of poverty is through the plan for jobs. While I am conscious that there are not lots of jobs at the moment—although we estimate that there are over half a million vacancies—we want to try and make sure that people are ready to take advantage of the opportunities, particularly when we have seen the number of workless households sadly increase.

Neil Gray (Airdrie and Shotts) (SNP) [V]: The Secretary of State suggested that her approach to universal credit is evidence-based, yet the Government dismissed the Select Committee on Work and Pensions report on this issue. Then she described anti-poverty measures as a priority, yet removing the universal credit uplift would plunge 200,000 children across the UK into poverty. If the UK Government make the smaller one-off payment that has been suggested, it will provide no security and do nothing to help those who first claim UC after the payment has been made. Alongside the discussions on universal credit, has the Secretary of State suggested to the Chancellor any action to end the discrimination against those on legacy benefits who have seen their support rise by just 1.7% during the pandemic?

Dr Coffey: People on legacy benefits can transfer to universal credit, and the final barrier to that is being lifted this Wednesday. I encourage people to consider that move, because we are confident as a Department that the majority of people would be better off. I remind the House that Parliament voted to end both legacy benefits and tax credits and to move to universal credit because it is a welfare system that is agile and incentivises people to work when they can.

Neil Gray [V]: So no action on legacy benefits, which means that the active discrimination from the UK Government against sick and disabled people, who disproportionately claim them, will continue. Robert Burns said:

“Whatever mitigates the woes or increases the happiness of others, this is my criterion of goodness; but whatever injures society at large or any individual in it, then this is my measure of iniquity.”

If the uplift to universal credit is not made permanent, the Secretary of State will be presiding over a system that not only discriminates against disabled people but in which out-of-work support falls to its lowest ever level relative to wages, confirming Burns's definition of iniquity. In that scenario, how in all conscience could she remain in post?

Dr Coffey: Tonight, many people right across the United Kingdom will be celebrating Burns night, recognising the strength of the poet and the prose he delivers. I am afraid that the hon. Gentleman's comments fail to hit with me right now. The reality is that we have supported the welfare system with an extra £7 billion in the past year. We continue to spend more on benefits

and we continue to spend more to try to help people back into work. This is a Government who are on the side of people, recognising the difficult situation that we face. As I have said before, as long as the Opposition keep trashing universal credit it will be no wonder that people do not realise that many of them would be better off moving tomorrow. I would encourage people to look into that.

Kickstart Scheme

Chris Clarkson (Heywood and Middleton) (Con): What steps she plans to take to increase the participation of young people in the kickstart scheme as covid-19 lockdown restrictions are eased. [911264]

The Secretary of State for Work and Pensions (Dr Thérèse Coffey): Kickstart has got off to a flying start and I am delighted to inform the House that to date 120,000 kickstart jobs have been approved and 2,000 young people have already started. Around 10,000 jobs are available to young people now and I am expecting a further 33,000 or so to be placed fairly soon while we work with employers to finalise the detail of the job offer. We recognise that young people have been greatly impacted by the pandemic, which is why kickstart is such a pivotal part of our plan for jobs to help them secure a stable footing on the career ladder.¹

Chris Clarkson: Kickstart is a fantastic programme that has created 120,000 opportunities that will benefit young people in Heywood and Middleton and around the country, but of course the core jobcentre offering will be incredibly important as we move to recovery. What measures are being taken to ensure that that is available to people of all ages around the country?

Dr Coffey: My hon. Friend is right. While kickstart is the flagship of our plan for jobs, we are well on track to recruit the extra 13,500 work coaches. Throughout the pandemic and across the country, work coaches have continued to provide support directly and digitally. Helping people to get ready to get back into work is a top priority and that is why other parts of the plan for jobs, including stepping up the number of places on sector-based work academy programmes, boosting job entry targeted support and launching job funding support nationally this month, are how we are helping everybody to try to get back into work.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): Today, the DWP announced that more than 120,000 kickstart jobs had been created, but the Secretary of State has said that 10,000 placements are available now, and the *Financial Times* has reported that it is because of the Secretary of State's delays that the other 33,000 have not yet come on stream. How on earth can it be that fewer than 2,000 young people have started placements to date? This scheme was announced six months ago and over half a million young people are out of work. Is it not the Secretary of State who needs to move up a gear so that we can secure our economy and get our young people into the jobs that they need?

Dr Coffey: The hon. Lady is right to ask why only 2,000 people have started. We have had a record number of applications and we have actually created more job

1. [Official Report, 4 February 2021, Vol. 688, c. 7MC.]

placements than the future jobs fund ever achieved. We are trying to turn that into job starts. There are certain things going on where we are trying to roll out those jobs around the country, but I can assure her that this pipeline of jobs, which will take us right through to the end of the year as we are taking on more, is there to try to ensure that we find people the right sort of kickstarter role. We are also making sure that, as well as having covid-secure arrangements, the training wraparound support is high-quality.

Covid-19: Welfare Support

Sir David Amess (Southend West) (Con): What steps her Department is taking to help ensure that people with disabilities and health conditions can safely access welfare support during the covid-19 outbreak. [911265]

The Minister for Disabled People, Health and Work (Justin Tomlinson): Work coaches are empowered to support claimants through the best and most appropriate channels, whether online, by phone or in person, with jobcentres remaining open to those who need extra support and are unable to interact with us on the phone or digitally.

Sir David Amess [V]: A number of my constituents in Southend West who suffer from mental or physical disabilities do not have access to computers or the internet. Many of them rely on in-person support in normal times, through places such as the citizens advice bureau or the wonderful Kings Money Advice Centre. With many in these vulnerable groups unfortunately now shielding, what assurances can my hon. Friend give me that support is being made accessible to those without online access?

Justin Tomlinson: My hon. Friend is a strong advocate for supporting his most vulnerable claimants and his local advocacy groups. As I have set out, we will look at the most appropriate way to communicate with claimants, including by phone or through advocates, where they do not have access to the internet.

Kickstart Scheme

Katherine Fletcher (South Ribble) (Con): What steps her Department is taking to enable more small business to participate in the kickstart scheme. [911266]

Rushanara Ali (Bethnal Green and Bow) (Lab): What steps her Department is taking to encourage employers to participate in the kickstart scheme. [911268]

The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies): We continue to engage with employers of all sizes to create high-quality placements for our young people to get their start on the employment ladder, and to make it even simpler, from 3 February we will remove the 30-job minimum for job applications, giving new applicants the choice to apply directly or via one of over 600 excellent approved kickstart gateways.

Katherine Fletcher [V]: As you well know, Mr Speaker, South Ribble has many brilliant small businesses that are keen to provide a kickstart opportunity for a young person. For example, Mark Wright Landscapes got in

touch saying that it was worried that it was too small to participate. In that instance, I was able to direct them to the great North and Western Lancashire chamber of commerce, which acts as a gateway. Will my hon. Friend join me in thanking that small business and encouraging others in Lancashire and beyond to create a job and give an opportunity through kickstart to as many young people as possible?

Mims Davies: I would very much like to thank my hon. Friend for raising the opportunities for smaller businesses, and the great team at the North and Western Lancashire chamber of commerce for their hard work and the services they provide as a gateway organisation. This is helping many sole traders and employers in her constituency to support our young people to take up these kickstart roles, ensuring that young people have that vital wraparound support, getting them on to the career ladder and, above all, grasping future work opportunities.

Rushanara Ali [V]: With youth unemployment set to reach 1 million and 600,000 already unemployed, can the Minister provide some updates on how her Department will meet the 250,000 kickstart programme target that it stated it would meet? The numbers that the Secretary of State has set out today are worryingly low. Will she also consider removing the six-month requirement, where a young person has to be unemployed for six months before they qualify for the kickstart programme?

Mims Davies: The young person needs to be on universal credit and working with our excellent work coaches. In respect of Hoxton and Poplar, which cover the hon. Lady's constituency, we are recruiting 27 new work coaches in Hoxton and 67 in Poplar. Since the end of September, we have been working with the new Tower Hamlets youth hub, with local employers and gateways bringing opportunities. I encourage the hon. Lady to visit her local jobcentre to see what has happened there in the past year, because I do not believe she has visited and think that would put her mind at rest.

Covid-19: Youth Employment

Alec Shelbrooke (Elmet and Rothwell) (Con): What steps her Department is taking to help increase levels of employment among young people (a) during and (b) after the covid-19 outbreak. [911267]

The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies): This Conservative Government and I, as the employment Minister, are committed to providing support to help our young people to move into work and avoid the long-term scarring effects of unemployment, both during the pandemic and as we recover from its impact. Our plan for jobs includes an expanded DWP youth offer, kickstart and more than 100 new youth hubs to assist young people to move into meaningful, sustained employment.

Alec Shelbrooke [V]: Small and medium-sized enterprises in my constituency have raised concerns about the time it takes to apply for the kickstart scheme. What action is the Department taking to ensure that applications are processed as quickly as possible?

Mims Davies: The Department worked at pace to launch the kickstart scheme in September, with the first applications open in November. Our aim is to take forward applications within one month, but it can take longer if we require additional information. We expect the situation to improve as we adopt processes and embed learnings from the thousands of employers and hundreds of gateways that have joined the scheme early on. My hon. Friend will be pleased to hear that the application from Fotofabric Ltd in his constituency has now been approved.

Covid-19: Careers Advice

Rob Roberts (Delyn) (Con): What steps her Department is taking to help people whose sectors have been particularly affected by the covid-19 outbreak to switch careers. [911280]

The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies): Our plan for jobs is providing a range of vital, tailored employment support for all jobseekers who are looking to move sector; targeting support for those impacted by the pandemic; and linking into local recovery plans. The plan includes DWP's job finding support, or JFS; sector-based work academy programmes, or SWAPs; job entry targeted support, or JETS; and our new restart programme. It will also utilise the forthcoming UK shared prosperity fund.

Rob Roberts [V]: Back in 2013, my constituency of Delyn had an unemployment rate of 5.2%; thanks to successful aspirational Conservative policies, this was down to just 3% before the pandemic took hold, but now sits at around 6%. With some sectors—particularly tourism and hospitality—more severely impacted than others, will my hon. Friend confirm that, despite many things being in the hands of a Welsh Government who, I hope, are in their final months in power, the UK Government will continue to provide support and generate opportunities for my constituents to get back into work as soon as possible?

Mims Davies: I am happy to confirm that DWP will continue to work hard to support people like my hon. Friend's constituents. I know that the staff in his three local jobcentres are already delivering training, mentoring circles and kickstart prep courses with partners such as Google, Amazon and the Prince's Trust, as well as working to develop new resources to help to support local jobseekers.

Benefits Recipients: Supported and Exempted Housing

Kerry McCarthy (Bristol East) (Lab): What recent assessment she has made of the effectiveness of the Government's definition of care, support and supervision for benefits recipients in (a) supported and (b) exempted housing. [911270]

The Parliamentary Under-Secretary of State for Work and Pensions (Will Quince): Local authorities apply the "more than minimal" test as part of the process for determining housing benefit for supported accommodation. No assessment has been made of the effectiveness of the "more than minimal" test for care, support and supervision in housing benefit; however, we are reviewing the guidance for local authorities to help improve consistency in decision making.

Kerry McCarthy: The Minister and I have talked about this, so he will know that I have real concerns about the exploitation of vulnerable people in the supported housing sector by landlords who know that they can charge much higher rents by providing only "more than minimal" support. Will the Minister look at the regulations to see whether they can be tightened up? I know that pilots are going on and consideration is being given to whether we can regulate supported housing, and that might be one way to do it.

Will Quince: The hon. Lady is right to point out that work is under way in this policy area. The DWP Minister in the Lords remains responsible for the policy; she is offering to all MPs and peers a session on 24 February at which they can raise any areas of concern, so I will make sure the Lady is invited to that. We recognise that there are problem areas and I share a number of the hon. Lady's concerns, but it is important to stress that the majority of supported housing is provided by well-run, registered social landlords with a strong social mission.

Vulnerable People: Essential Costs

David Johnston (Wantage) (Con): What support her Department is providing to vulnerable people to help meet essential costs in winter 2020-21. [911271]

Daniel Kawczynski (Shrewsbury and Atcham) (Con): What steps her Department is taking to support vulnerable people with essential costs in winter 2020-21. [911277]

The Secretary of State for Work and Pensions (Dr Thérèse Coffey): The £170 million covid winter grant scheme is supporting disadvantaged people through the challenging winter months to the end of March with food and utilities. The first wave of funding was given to councils in November. The next tranche of payments is due next month and support for Northern Ireland, Scotland and Wales is already included in the pre-agreed Barnett funding. I have been pleased to see councils go beyond just issuing food vouchers. For example, in Telford and the Wrekin, where a large number of pupils had reportedly been going to school without a warm coat, some of the funding will help ensure that these disadvantaged children are warmly dressed for the cold winter months.

David Johnston [V]: I thank my right hon. Friend for that statement. As well as providing those on low incomes with food boxes, the charity SOFEA in my constituency works with utility companies to try to drive down the costs of people's bills, recognising that food is not their only challenge. I am hugely supportive of the covid winter fund, but does my right hon. Friend agree that what happens to those on low incomes is not just about what the Government do, and that we need all businesses to look at what more they can do to help drive down the cost of living?

Dr Coffey: My hon. Friend is absolutely right that all businesses can play a part. I praise those mobile phone and internet companies that have offered low-cost packages to people while they are on benefits. In particular there is the warm home discount scheme where my Department works closely with utility companies on data matching. Nearly 1 million eligible claimants received the £140 discount automatically and did not need to apply.

Daniel Kawczynski: Does my right hon. Friend agree that, by providing funding to support families with children of all ages, including pre-school children, the covid winter grant scheme will give local authorities the flexibility they need to ensure that no child goes hungry this winter?

Dr Coffey: I completely agree with my hon. Friend. The terms of the condition of the grants to councils were clear that they needed to reach out to support children of all ages who are disadvantaged. Councils have the ties and the knowledge that make them well placed to identify that. I commend Shropshire County Council, which has received £850,000 over the scheme, for drawing on this information to target its support to help children of all ages, including pre-schoolers and care leavers who are exactly the groups that I hoped would also benefit from the support.

Matt Rodda (Reading East) (Lab): Too many pensioners face a harsh and challenging winter. Deep concerns about the high rates of coronavirus have been made worse by the effects of the severe weather and isolation from the usual networks of support. Will the Secretary of State reassure the House that the Government will take urgent action both to raise take-up of pension credit for those most in need and to take other steps to protect pensioners? The Government have dithered for too long, and they need to set out a comprehensive package of support for our vulnerable pensioners.

Dr Coffey: I welcome the hon. Gentleman to his place and congratulate him on his new role. On supporting pensioners, I genuinely believe that the Government have gone a very long way with the triple lock. We continue to see that boost with the basic state pension. He may not be aware of the extensive advertising in GP surgeries, post offices and similar that took place in 2020 to encourage people to take up the pension credit. We will continue to consider how that can be improved.

Covid-19: Universal Credit Roll-out

Mr Richard Holden (North West Durham) (Con): What progress her Department is making on the roll-out of universal credit to eligible (a) claimants and (b) people on legacy benefits during the covid-19 outbreak.

[911275]

The Parliamentary Under-Secretary of State for Work and Pensions (Will Quince): Since the start of the pandemic, the welfare safety net has been there to support nearly 6 million claimants. Parliament has voted for universal credit and to end legacy benefits. The nationwide roll-out of universal credit was successfully completed in December 2018, and we are committed to ensuring that those on legacy benefits move across in a safe and secure way.

Mr Holden: I thank the Minister for his answer. It is quite clear that, during the coronavirus pandemic, alongside our massive vaccine programme and world-leading support of £4,000 a head—£280 billion in total—universal credit has been a real success. I praise the officials in Crook and Consett in my constituency for the work that they have done. Does the Minister agree that the last thing we should be doing is moving to scrap universal credit, which is a system that is really helping thousands of my constituents? Does this not show how out of touch the

Opposition are, when this system is benefiting millions of people across the country at this incredibly difficult time?

Will Quince: I completely agree; universal credit is a modern, dynamic, agile and fairer welfare safety net, which, in the face of unprecedented demand, ensured that millions of people were paid in full and on time. This is a system that, by any measure, has passed the most challenging of tests, supporting nearly 6 million vulnerable people through this pandemic. There is little doubt that, had we relied on the legacy benefits system, we would have seen queues down the streets outside jobcentres, and long delays leaving families facing financial disruption without support.

Covid-19: Universal Credit

Mr Simon Clarke (Middlesbrough South and East Cleveland) (Con): What assessment her Department has made of the effectiveness of universal credit in supporting people during the covid-19 outbreak.

[911276]

The Parliamentary Under-Secretary of State for Work and Pensions (Will Quince): Thanks to universal credit's modern, dynamic and agile system, it has effectively supported nearly 6 million people, with over 90% of new claimants receiving their first payment in full and on time. This is in stark contrast to the paper-based legacy system, which would have seen queues outside our jobcentres and would have buckled under the pressure.

Mr Clarke [V]: I have seen for myself on visits to the fantastic jobcentres in Guisborough and Loftus how the teams there really value universal credit, and how it has helped to support people over the last turbulent year. Will my hon. Friend reassure my constituents that there is no question of universal credit going anywhere, and does he agree that the Leader of the Opposition calling for it to be scrapped is simply the height of opportunism and irresponsibility?

Will Quince: The universal credit system and tens of thousands of dedicated, incredible DWP staff have processed an unprecedented number of claims—over 3 million since mid-March. It is not just my hon. Friend who is saying this; the IFS slammed Labour's pledge to scrap UC as uncoded, as well as,

“unwise...expensive, disruptive and unnecessary.”

The Government believe that work should always pay and we need a welfare system that helps people into work, supports those who need it and is fair to those who pay for it. Remember: no Labour Government have ever left office with unemployment lower than when they started.

Work Capability Assessment Referrals

Kate Osamor (Edmonton) (Lab/Co-op): What recent estimate she has made of the average time her Department takes to process a work capability assessment referral.

[911279]

The Minister for Disabled People, Health and Work (Justin Tomlinson): Although face-to-face work capability assessments remain temporarily suspended, we are conducting paper-based assessments where possible. We have also introduced telephone assessments and are trialling video assessments. We closely monitor processing times, and are prioritising new claims and changes of circumstances.

Kate Osamor [V]: In its latest briefing, the Child Poverty Action Group has highlighted the plight of universal credit claimants whose work capability assessments have been delayed indefinitely because they require a face-to-face assessment. These claimants have gone months without hundreds of pounds of extra support, which they need. What assurances can the Minister provide these claimants about when they will be able to access this element of universal credit?

Justin Tomlinson: We are doing absolutely everything we can to ensure that claimants are accessing the support as quickly as possible, which is why we introduced at pace telephone assessments and now video assessments. Wherever possible, we are also conducting paper-based assessments. We continue to do all we can, and we will return to include face-to-face assessments as soon as it is safe to do so.

Benefit Recipients: Heating Costs

Harriett Baldwin (West Worcestershire) (Con): What support her Department provides to benefit recipients to help meet heating costs in winter 2020-21. [911281]

The Parliamentary Under-Secretary of State for Work and Pensions (Guy Opperman) [V]: Winter fuel payments of between £100 and £300 are provided to all those of state pension age. In addition, certain benefit recipients can also receive payments from the warm home discount scheme and the cold weather payment scheme. As mentioned by the Secretary of State earlier, we have introduced a covid winter grant scheme, which has made £170 million available to English local authorities.

Harriett Baldwin: Obviously the weather has been very cold and families are spending much more time at home, so I welcome all that additional support to help with heating. Will the Minister clarify whether the money is paid automatically or families must actively apply for it?

Guy Opperman: Worcestershire received £1.6 million to provide support to vulnerable households and families. This can be used to support the costs of heating, utility bills and various other items, and is available at the local authority's discretion. Clearly, my hon. Friend should contact her local councillors and the leader of the local authority for further details.

Pension Credit Uptake

Andrew Rosindell (Romford) (Con): What steps she is taking to increase pension credit uptake using new awareness raising campaigns. [911283]

The Parliamentary Under-Secretary of State for Work and Pensions (Guy Opperman) [V]: In February last year, we launched a nationwide campaign to raise awareness of pension credit and have continued to make that case throughout the past year, notwithstanding the difficulties of the pandemic. The Department for Work and Pensions is currently considering an internal review of communication products to identify further improvements in our messaging, with many more aspects to be pursued this year.

Andrew Rosindell [V]: The Minister will know that uptake of pension credit has remained below 65% since 2010. Although, as he said, there was an awareness campaign in 2020, with good intentions, it was only 12 weeks long and partly occurred during the pandemic. Does he agree with me, and others, including the charity Independent Age, that rather than being one-off events, such awareness campaigns should be part of a wider long-term strategy and take advantage of new innovations and channels?

Guy Opperman: We plan to use existing Government letters on the attendance allowance and state pension, and other letters that the Government send out, to help to promote pension credit. We are also discussing a joint working arrangement with the BBC. We continue to make all efforts to try to promote pension credit.

Topical Questions

[911319] **Chi Onwurah** (Newcastle upon Tyne Central) (Lab) [V]: If she will make a statement on her departmental responsibilities.

The Secretary of State for Work and Pensions (Dr Thérèse Coffey): Our kickstart scheme is putting the future of young people front and centre of our plan for jobs. I have already shared with the House that over 120,000 kickstart roles have now been approved, and we want to turn those into job starts. In addition to making it simpler for employers by removing the 30-vacancy threshold for direct applications, as was set out earlier, employers who cannot currently access kickstart at all—for example, sole traders with no pay-as-you-earn systems—can now join up through the gateway-plus model that is currently provided by the Federation of Small Businesses and Adecco joint venture. It is an exciting phase as we move up a gear.¹

Chi Onwurah: This weekend, Newcastle United fans food bank launched a virtual bucket so that fans can donate small sums online on matchdays to help to meet the massive increase in demand from hungry families. Will the Secretary of State congratulate the food bank organisers on their hard work and ingenuity, and explain to them why she will not cancel the cut to universal credit that will force many of the 16,000 claimants in Newcastle further into destitution, increasing debt, food poverty and demand for the food bank?

Dr Coffey: Of course I congratulate the organisation through the football club to which the hon. Lady refers: it is of great worthiness to undertake that. She will be aware of the support that has been ongoing and also the additional £170 million winter grant from which Newcastle City Council will be benefiting in order to help to make sure that no child goes hungry and every child stays warm this winter.

[911320] **Stephen McPartland** (Stevenage) (Con) [V]: The impact of the pandemic has been particularly acute in certain sectors, forcing many people with years of experience to rethink their careers. How does the Government's plan for jobs help people who are now looking for new jobs that are going to require new skills?

1. [Official Report, 4 February 2021, Vol. 688, c. 8MC.]

Dr Coffey: We have provided an unprecedented economic support package to protect and create jobs through the pandemic. For people who need to change careers, our sector-based work academy programmes—SWAPs—offer training, work experience and a guaranteed job interview to get those people ready to start a job, allowing them to learn the skills that employers in that particular industry look for. Alongside that, our flexible support fund has been boosted by an extra £150 million so that work coaches can help to support individuals facing redundancy through retraining and overcoming barriers to work.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op) [V]: As we have heard, last week this House voted that the Government should not proceed with the £1,000 cut to universal credit set to take place in April. That position is now supported by 280 MPs, more than 60 charities and campaign groups, and the majority of the British public. I have listened to the Government today, as ever, but, as it stands, that cut is formally written into official Treasury documents, and the Prime Minister has indicated that he thinks the cut should happen, but last week the Under-Secretary, the hon. Member for Colchester (Will Quince), said that it was too early to make the decision. Will the Secretary of State clarify what is Government policy on reducing universal credit in April, what criteria will affect the decision, and who in Government will ultimately make that decision?

Dr Coffey: As has been explained several times to the House today, and previously by my hon. Friend the Member for Colchester (Will Quince), the Government introduced a raft of temporary measures to support those most impacted by the covid pandemic. The hon. Member is aware of the statement I made to the House, where I said that the situation would be reviewed in the new year, and that is exactly what I am doing. I am working closely with my right hon. Friend the Chancellor as we consider the options on how best to support people through the pandemic.

Jonathan Reynolds: I put it to the Secretary of State that she must give clarity to the millions of families this cut will affect. If she wished, she could give that reassurance now. I also ask for clarity on reports that the Chancellor is planning on giving a one-off payment to universal credit claimants, ignoring those on other benefits, and leaving the hundreds of thousands of likely new claimants expected this year with lower levels of support. Does the Secretary of State agree that it would be not only unfair, but a very poor use of public money to pay a lump sum to people on universal credit now, while cutting unemployment support to its lowest level for 20 years, just as unemployment is set to peak?

Dr Coffey: I can only more or less repeat what I said before. My right hon. Friend the Chancellor and I are actively working on proposals on how we can continue to make sure that we support people most badly affected by the pandemic. This is part of the discussions that are still ongoing, and I can assure the House that we are actively considering it and hope to make an announcement when we can, in order to give that certainty, as the hon. Member points out, to a number of people.

[911334] **Robert Largan** (High Peak) (Con) [V]: I have often talked about my ambition for High Peak to be the capital for tackling climate change. I welcome the Government's commitment to protecting our environment, including the big increase in funding for the restoration of High Peak's moorlands. We all have a part to play in tackling climate change, and with trillions in assets available to them, can I ask the Secretary of State what steps the Government are taking to ensure that pension funds make more environmentally sustainable investments in future?

Dr Coffey: My hon. Friend is right to highlight the key role that pension scheme assets can play in tackling climate change. The UK is already leading the way on this issue, thanks to actions taken by the Government, but particularly by my hon. Friend the Member for Hexham (Guy Opperman), the excellent Minister for Pensions. In 2018, we introduced key environmental, social and corporate governance legislation for occupational pension scheme investments, and we have gone further with the pension scheme legislation that is currently awaiting Royal Assent. It makes the UK the first major economy to put assessing climate risk and disclosure into statute for pension schemes, a point that we will continue to reinforce as we run up to hosting COP26, and we encourage other countries to do likewise.

[911321] **Mike Hill** (Hartlepool) (Lab) [V]: According to TUC polling, two fifths or 40% of workers say they will have to go into debt or into arrears on their bills if their income drops to £96 per week, which is the equivalent level of statutory sick pay. What steps is the Department taking to ensure that SSP is set at a level that does not require people to take on extra debts or avoid paying bills?

The Minister for Disabled People, Health and Work (Justin Tomlinson): I thank the hon. Member for that question. As set out earlier, SSP is only part of the wide range of support that could be available, including universal credit, new-style ESA and support through local authorities. It will depend on each individual claimant's circumstances. Wider SSP was increased as part of the annual uprating. As part of "Health is everyone's business", we continue to review the rates, structure and support provided through SSP.

[911337] **Mr David Davis** (Haltemprice and Howden) (Con) [V]: Over a year ago, one of my constituents had her complaint accepted for investigation by the independent case examiner. Today, she is still waiting for that investigation to start. She is a single parent and is now without universal credit or tax credits for her children. This kind of hardship is often the situation for those taking their cases to the independent case examiner, and the delay is not uncommon. The average time between a complaint being accepted by the examiner and an outcome being provided is a year and a half. That is completely unacceptable, so can the Secretary of State urgently look into the operation of the case examiner and drastically reduce waiting times and ensure that complainants are properly supported throughout the complaints process?

Dr Coffey: My right hon. Friend raises an important issue. Within the last year, we have reviewed parts of the complaints process. I am also conscious that my noble

Friend Baroness Stedman-Scott, who leads on this, has arranged for more resources to go into the independent case examiner. It would be helpful if my right hon. Friend could share with me or with the noble Baroness the precise details, so that we can investigate what has happened.

[911322] **Peter Grant** (Glenrothes) (SNP) [V]: Most of my constituency has hardly seen temperatures above freezing since before the turn of the year. Pensioners in around 200 other parts of the United Kingdom are now getting the cold weather payments they are entitled to, but because of rules set out by the Department, thousands of pensioners in my constituency do not qualify for a single penny. Could the Secretary of State explain how that is fair?

Dr Coffey: I am not sure which specific payments the hon. Gentleman is referring to. I have highlighted, as has the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Colchester (Will Quince), the warm home discount scheme. There are other winter grant schemes, which have specific criteria. If the hon. Gentleman would like to contact one of the Ministers in the Department directly, I am sure that we can look into that casework for him.

[911339] **Theresa Villiers** (Chipping Barnet) (Con): The Government's emergency income support schemes have helped millions of people, but unfortunately there are gaps in support. Will the Government look again at how to help PAYE freelancers, the newly self-employed, directors of limited companies, and particularly women for whom periods of maternity leave have made it even more difficult to come within these covid emergency schemes? They need help; they are suffering real hardship.

The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies): We are providing £15 million for local authorities to make discretionary payments to people not eligible for the self-employment income support scheme. The DWP has temporarily relaxed the minimum income floor for self-employed UC claimants affected by covid-19. The self-employed have also benefited from other parts of our support package, such as increased local housing allowance. However, I urge anyone who thinks they may need further support to check the benefits calculator on gov.uk.

[911323] **Mrs Emma Lewell-Buck** (South Shields) (Lab) [V]: The Secretary of State should be ashamed that right across the UK, food banks, schools, charities and communities have had to mobilise to feed hungry children because of the inadequacy of the welfare state. Analysis from the House of Commons Library shows that 680,000 of these children could be lifted out of poverty if universal credit was not cut and child benefit was increased by just £5 per week. Why will she not implement those changes?

The Parliamentary Under-Secretary of State for Work and Pensions (Will Quince): We keep all policies under review, including the uplift to universal credit, which is under active discussion between our Department and the Chancellor of the Exchequer. I would gently push back on what the hon. Lady said and alert her to the fact that in 2020-21, we will spend more than £120 billion on benefits for working-age people. That is £120,000

million—around £1 in every £8 that the Government spend; three times the defence budget, and nearly as large as the NHS budget. We continue to support people throughout this country during the pandemic.

Mr Speaker: Let us head up to Andrew Percy in Brigg.

[911340] **Andrew Percy** (Brigg and Goole) (Con) [V]: I am actually in Goole, Mr Speaker. With the upcoming health and disability Green Paper and the national strategy for disabled people, it is vital that those with real lived experiences are able to shape Government policy in this area. Can the Minister assure me that that will be the case?

Justin Tomlinson: I thank my hon. Friend, who is a champion of real lived experience through his casework and his speeches in Parliament. I can reassure him that both the DWP health and disability Green Paper and the national strategy for disabled people will be shaped by those with real lived experiences. I know that, as a proactive Member of Parliament, he will be happy to host his own stakeholder engagement event with his local advocacy groups.

[911324] **Helen Hayes** (Dulwich and West Norwood) (Lab) [V]: Research from the TUC shows that statutory sick pay currently covers less than a fifth of annual earnings. Does the Secretary of State agree with the head of the Government's test and trace programme, Dido Harding, that low levels of statutory sick pay are acting as a financial barrier to people being able to self-isolate, creating additional public health risks? What steps is she taking to ensure that statutory sick pay provides sufficient support to enable everyone to self-isolate when necessary?

Justin Tomlinson: As already set out, this is part of the menu of support that people could benefit from, including universal credit, new style ESA and support provided through local authorities or, if they qualify, £500 through the test and trace scheme. But on the wider point, through "Health is everyone's business", we have covered a range of measures to look at reforming SSP. We will publish those findings shortly, but they will look at things such as the rate, the structure and the lower earnings threshold, as well as actually dealing with the issue that people are either 100% fit or 100% sick without any phased return to work, which is something we are determined to change.

[911341] **Henry Smith** (Crawley) (Con) [V]: The covid-19 pandemic has presented some stark economic challenges for Crawley affecting people of all ages. What support has the Department for Work and Pensions put in place to help workers get back into work across my constituency?

Mims Davies: In addition to the excellent work already being done at the Crawley youth hub in the town hall and the existing Jobcentre Plus, I am pleased that, as part of the DWP estates expansion and renewal programme, we will shortly open a new jobcentre at Forest Gate and a DWP response hub at Gatwick airport. As well as generating valuable employment opportunities, this will ensure that we can provide the support that individuals of all ages need in and around Crawley.

[911325] **Christian Matheson** (City of Chester) (Lab) [V]: I have a constituent who, over the space of the two and a half preceding years, was sanctioned for a total of 1,100 days. Does there not come a point at which it is clear that the sanction regime does not work for some individuals, ceases to be a proportionate response, and becomes cruel and unusual? Will Ministers look at ways of making sure that those individuals who are suffering in this way get treated with a lot more respect and dignity?

Mims Davies: Sanctions are only ever used when someone fails to comply with reasonable and appropriate commitments without a good reason. Following the gradual reintroduction of conditionality in the claimant commitment, the UC sanction rate remains very low, at a record low level. I am happy, if the hon. Gentleman wants to raise this particular issue with me, to have a look at it, but, as I say, the sanction rate has very much been on a downward trend.

[911345] **Ian Levy** (Blyth Valley) (Con) [V]: The kickstart scheme has been a fantastic initiative in helping to secure valuable work placements for more of our young people in Blyth Valley, but it is currently only available to businesses with more than 30 employees. What assessment does my hon. Friend make of lowering this threshold to allow for smaller businesses to be given the same opportunity?

Mims Davies: Mr Speaker, would you like to be a 3D animator, a disabled riding school assistant, a camera operator or maybe a trainee fencing coach? These are all kickstart roles that are available. We have made it simpler for employers to get involved with kickstart, cutting the 30 posts minimum threshold so those applying for any number of roles can now apply direct to the DWP. We have also made it easier for sole traders to sign up. We have had a great response, with over 6,500 employers stepping up to offer placements in different fields and sectors, as we have heard, and also to be crucial gateways.

[911332] **Wendy Chamberlain** (North East Fife) (LD): People who receive legacy benefits were excluded from the uplift to universal credit, but the Government have now announced plans for an uplift this April of 0.5%. If people are claiming ESA in the work-related activity

group, that equates to 37p a week, which is derisory. We need to ensure that people on legacy benefits receive a proper degree of support, so as part of the Secretary of State's review of the UC uplift that she mentioned earlier, will she commit to providing a similar uplift to legacy benefits?

Will Quince: First, let me say that I appreciate that many people are facing financial disruption due to the pandemic, and the Government have put unprecedented levels of support in place. As the hon. Lady rightly points out, legacy benefits are being increased by 0.5% this year, on top of the 1.7% last year. Legacy benefit claimants can make an application for universal credit, but what I would say is that I encourage them to check on one of the benefit calculators on gov.uk. Once they make an application to universal credit, their entitlement to legacy benefits will cease, so it is very important that they do check first.

[911346] **Mark Pawsey** (Rugby) (Con) [V]: Ministers have shown from the Dispatch Box this afternoon how effective the benefits system has been in providing support throughout the pandemic. However, my constituent who is only able to work on an intermittent basis tells me that she is not eligible for support for mortgage interest, and that she would have been better off had she not worked at all. What assessment have Ministers made of the support level for homeowners?

Will Quince: The qualifying period for support for mortgage interest is in place because it is reasonable for homeowners to make arrangements with their lenders, to manage any loss of income for a short period, without the state needing to intervene. Homeowners struggling with mortgage repayments because of covid-19 should contact their lender as soon as possible to discuss what support may be available. At present, the Department has no plans to amend the qualifying period for support for mortgage interest, but I am happy to meet my hon. Friend to discuss the matter at length.

Mr Speaker: I will now suspend the House for three minutes to enable the necessary arrangements for the next business to be made.

3.35 pm

Sitting suspended.

Opposition Day

[15TH ALLOTTED DAY]

Council Tax: Government's Proposed Increase

Mr Speaker: I have selected the amendment in the name of the Prime Minister.

3.38 pm

Steve Reed (Croydon North) (Lab/Co-op): I beg to move,

That this House calls on the Prime Minister to drop the Government's plans to force local councils to increase council tax in the middle of a pandemic by providing councils with funding to meet the Government's promise to do whatever is necessary to support councils in the fight against covid-19.

Right at the heart of the local government funding settlement, there lurks a rather nasty little surprise. What the Chancellor and the Secretary of State for Housing, Communities and Local Government trumpeted as an increase in funding for councils was nothing of the sort. Instead of the promised "end to austerity", we got a Conservative council tax bombshell.

The Government made a choice to clobber hard-pressed families with a 5% council tax rise, after the Government's mistakes led our country into the worst recession of any major economy. There are two big problems with that: it is economically illiterate to push up taxes while the economy is in crisis; and it is dishonest to trumpet the end of austerity when most councils will still be forced to cut services even after they impose the Conservative tax hike, because the rising costs of social care outstrip any increase in revenue, and the Government have done nothing about that crisis.

Felicity Buchan (Kensington) (Con): Will the hon. Gentleman please explain, if he does not think that councils should be increasing taxes, why the Mayor of London is proposing to increase his precept by 10%?

Steve Reed: It was actually the Secretary of State for Transport who told the Mayor of London that he had to increase council tax. [*Interruption.*] Oh yes, it was. The reason there is a funding gap in London is that Londoners have done the right thing and followed the Government advice to keep covid-safe by keeping off public transport as much as they can. Transport for London's revenues have therefore collapsed, but the Government have refused to provide the financial support to cover that problem. I imagine the Government thought they were punishing the Mayor of London ahead of the London mayoral elections; what they have actually done is punish Londoners, and that is wrong.

The Government's message to council tax payers is: "Pay more but get less under the Conservatives." Last March, as the country went into lockdown, the Secretary of State made a commitment to fund councils to do what was necessary to get communities through the crisis. He was right to say that—I give him credit for doing so—but just two months later, he broke that promise.

The Conservative-led Local Government Association estimates that councils face a £2.5 billion funding gap as a result of the lost income and additional costs of supporting communities through these unprecedented

circumstances over the past year. The Government's planned council tax increase will raise just under £2 billion next year. If the Government had not broken their promise on funding, councils would already have that amount available to them. Of course, the Government threw away £10 billion on crony contracts for companies with links to senior Conservative politicians. Just a proportion of that money would have plugged councils' funding gap entirely.

The Government's failure over the past year has left Britain with the worst recession of any major economy and one of the highest death rates in the world. Now, with their inflation-busting tax hikes, the Government are making hard-working families pay the price for Conservative failure, and the timing really could not be worse. The Tory tax hike will land on people's door mats in the same month that over 2 million people come off the furlough scheme. Many of those people are worried sick about their future job security. Millions more are worried about their income falling. This is no time to clobber them with a tax hike.

Gary Sambrook (Birmingham, Northfield) (Con): The hon. Gentleman mentions recessions and bad timing for increasing council tax. When he was leader of Lambeth Council, he increased council tax in 2007 and 2008, during the economic recession. Why did he think it was okay to do so then?

Steve Reed: I am glad the hon. Gentleman raises that, because when I won control of Lambeth Council for the Labour party in 2006, we took over from an administration, jointly run by the Conservatives, that had raised council tax by 33% over four years, and yet service performance was on the floor. I froze council tax, with no increase at all for two years, and despite doing so, we raised the performance of standards that were left on the floor by Conservatives and achieved an outstanding rating in every single category of children's services. We did that because Labour Members understand value for money, while Conservative Members simply do not.

The proof of that is in what the Government are trying to do with the council tax rise this year. Families who are worried about paying their heating bills or putting food on the table simply cannot afford it. It will put them under even greater financial strain and it will hit high streets that, right now, are struggling to survive. Many local businesses are on their last legs financially after years of restrictions. These tax rises threaten to choke off spending, just as we need the economy to start opening up and motoring after the pandemic.

With the Government now in full retreat on the devolution agenda, there is still one thing they are very interested in devolving, and that is the blame for cuts and council tax hikes made in Downing Street. The Secretary of State tried to justify the tax hike by claiming he is giving councils a choice—I am sure he will repeat that at the Dispatch Box today—but the truth is he is not. The Government's funding plans, published in December, include the expectation—an assumption, not an option—that council tax will go up.

Councils' biggest long-term financial headache is how to pay for social care. As more people, thankfully, live longer, councils need more funding to offer frail older people the care they need to make the most of their lives, but the Government have cut funding over the past decade,

forcing councils to restrict care, so it is available only to those in the most severe categories of need. On his very first day in office, standing on the steps of No. 10 Downing Street, the Prime Minister told the country he had a plan to fix the social care crisis. No one has seen a dot or comma of that plan since, so councils have been forced to keep cutting, because the Prime Minister's plan does not seem to exist—unless the Secretary of State can tell us differently when he speaks at the Dispatch Box.

Let us not forget that because a council tax increase raises less money in poorer areas, the Government are deepening the postcode lottery for social care, instead of ensuring that every single older and disabled person anywhere in our country gets the care they need, regardless of where they live. This Government are not levelling the country up; they are pulling the country apart.

James Cartlidge (South Suffolk) (Con): If we do not raise this money in council tax, it still has to come from somewhere. How would the hon. Gentleman raise it?

Steve Reed: The Secretary of State has already given the hon. Gentleman the answer, and I am very pleased to repeat what the Secretary of State and the Chancellor said last March: they would fully compensate councils for the cost of getting the country through the crisis. A £2.5 billion funding gap is what they have left, according to James Jamieson, the Conservative leader of the Local Government Association. That is more than the amount that will be raised in council tax, and the hon. Gentleman can do the maths as well as I can. That would not be necessary if the Secretary of State kept his promises.

The costs of social care this year will rise faster than any additional income that is being made available to pay for it, so the only choice the Government are giving all our town halls is to put up council tax while families are still suffering the effects of the recession, or to cut social care during an unprecedented global health pandemic. That is no choice at all, and it is why the Government have got this so badly wrong.

Older people have suffered enough, thanks to this Government's failures. Over a third of all covid deaths in the UK have been in care homes because the Government were too slow on distributing personal protective equipment, too slow on rolling out testing and too slow to act on hospital discharges that seeded the disease in those very care homes.

Councils need funding to pay for the care older people deserve, and not just during this pandemic. Hard-working families need support to cope with the hit that their incomes have suffered over the past year. Struggling high street businesses need the Government to encourage spending, not choke it off. Councils of all political colours will be forced to put up council tax this year, not because they want to, but because the Government have left them with no real choice. The costs of covid will have to be paid for, but not by raising taxes on people who cannot afford it at a time when their incomes are under so much strain and the pandemic is still raging.

Make no mistake: this is a Conservative tax hike made in Downing street and imposed on hard-working families after the Government's mistakes left our country facing the deepest recession of any major economy. We will not secure our economy by choking off spending, we will not protect the NHS by denying older people the care they need and we will not rebuild our country

by killing off our high streets. I urge the Government, even at this late stage, to think again and scrap their plans to force town halls to increase council tax at a time like this.

3.48 pm

The Secretary of State for Housing, Communities and Local Government (Robert Jenrick): I beg to move an amendment, to leave out from "House" to end and add: "notes that council tax doubled under the last Labour Government, but has fallen in real terms in England since 2010; asserts that council budgets are a local decision for elected councillors and mayors, but local taxpayers are now protected from excessive council tax increases, a policy opposed by the LGA Labour Group; disagrees with the Labour Party's 'Land for the Many' proposals to hit hard-working families and pensioners with a new homes tax; notes that the biggest increases in council tax have been under the Labour Government in Wales thanks to their council tax revaluation and lack of referendum protections; welcomes the fact that Conservative councils set the lowest average Band D rates; and further welcomes the additional government funding of over £30 billion provided by the Government to support councils during the Covid-19 pandemic."

The Labour party position on this most important question is so inconsistent and contradictory that it is difficult to know where to start, but let me give a few basic facts to the House. The Leader of the Opposition thinks councils should not be given limited flexibility to decide themselves, locally, to raise their council tax rate. Yet, as we have already heard from my hon. Friend the Member for Kensington (Felicity Buchan), the Labour Mayor of London has decided to hike his share of council tax by 10%, while still finding the room to up his personal PR budget to £13 million, run by a £130,000-a-year spin doctor based in California. I am all in favour of working from home, but that really is quite a leap.

Sir Edward Leigh (Gainsborough) (Con): May we just leave London for a moment, because there is a real dissonance between what people pay in a big city such as London and what people pay and get back in a rural area such as West Lindsey, with which my right hon. Friend is very familiar? We pay slightly more and we get a lot less—sometimes not even a street lamp; maybe a rubbish collection every two weeks. So can he address this real issue on behalf of rural people and say what he is doing to help us in rural areas?

Robert Jenrick: I certainly can. My right hon. Friend is fortunate to have a good Conservative council and it will benefit from the largest ever rural services grant in the settlement, which will give more money to help deliver the sorts of services that his constituents will rely on in a very rural part of the country.

The shadow Communities Secretary as leader of Lambeth Council hiked council tax by more than £100, including a 5% rise at the height of the unemployment crisis presided over by the last Labour Government. Yet today he believes that councils should not even have limited flexibility to do the same. Labour leaders in local government do not want limited flexibility to increase council taxes; they want to abolish the right of local people to veto excessive tax increases altogether, so that they can increase taxes by as much as they want. We all know where that leads for Labour councils: while council tax has fallen under the Conservatives in real terms since 2010, the last Labour Government presided over a doubling of council tax and, in Labour-run Wales, it is trebling.

[Robert Jenrick]

Perhaps the Leader of the Opposition should pick up the phone, check in with his own local leadership from time to time and get their ducks in a row before opposing the very same flexibility that their councils are the greatest advocates of. From Leeds to Telford to the Wirral to Sefton, the A to Z of Labour local councils have demanded that we allow them to increase council tax “without limit”. They describe in their responses to the local government settlement that keeping their tax-raising instincts in check is frustrating, “an imposition”—not an imposition on tax payers, I hasten to add; they barely get a look-in. It is all there in black and white in the Labour councils’ responses to the local government settlement.

Steve Reed: The Secretary of State may want to correct the record, because actually I froze council tax, with a zero increase, the year following the crisis in 2007-08 and the year after that as well, but does he recognise that it is the Conservative leader of the Local Government Association, James Jamieson—a councillor I am sure he knows very well—who has called for the cap to be lifted for council tax increases and for a referendum to be abolished, not the Labour party Front Bench?

Robert Jenrick rose—

Mr Speaker: Mr Jenrick, you moved the amendment. I presume that you did not wish to. Could you withdraw the moving of the amendment?

Robert Jenrick: Yes, I am happy to withdraw it, Mr Speaker.

I will come on to the remarks of the LGA in a few minutes, if I may, but the hon. Gentleman cannot have it both ways: he cannot say that he is unhappy that we have imposed a cap that provides limited flexibility for local councils to decide of their own volition whether to increase council tax or not, and that he wants the cap lifted altogether so councils can increase it without limit, which seems to be the consensus among his own local government leaders.

Perhaps the hon. Gentleman could check in with his own council in Croydon, a council that in its consultation response to the Department on last year’s finance settlement said:

“we are disappointed that the ability to increase locally determined Council Tax has been reduced and that”

it

“can...only be increased by 2%”—

directly contradicting the hon. Gentleman.

How are these councils actually performing? Croydon is a council that has found itself in £1.5 billion of debt, the only council to go bust in 2020, following the collapse of its housebuilding company, Brick by Brick, which may not have proved to be very good at building, but did prove to be extremely good at owing people a lot of money. The problem is that Labour in local government today is a catalogue of failure, dysfunction and waste.

In Nottingham, the party opposite blew £38 million on a failed energy company and made 230 of its employees redundant over Skype, before rewarding themselves with a backdated pay rise. Robin Hood Energy, they described it. Well, Robin Hood stole from the rich, but Labour’s Robin Hood just stole from everyone.

Up in Durham, the council, at the height of the pandemic, approved a new 3,500 square foot roof terrace on its £50 million county hall. Merton Council reportedly set up a building company with a £2 million investment, only not to deliver a single home. The council leader said it was designed to make money, but he had built in—I kid you not—jumping off points. It turns out that there was no parachute for local residents. Labour Warrington has debts of least £1.6 billion. After Bristol City Council’s socialist energy company went bust, Warrington’s own version, Together Energy, decided it would be a good idea to buy it and then, of course, got into financial difficulties itself. Hackney Council planted thousands of trees, only for them to die due to neglect—literally, Labour dead wood.

Even the Labour Local Government Front Bench keeps up the tradition, inexplicably taking two shadow Secretaries of State to do the job of one actual one. The shadow Housing Secretary freely admits to reporters that she has no policies. The shadow Local Government Secretary reportedly rebuked a colleague in the shadow Cabinet for trying to develop some. From what we have heard today, perhaps it would have been better if he had taken his own advice. His first attempt after nine months has fallen apart at the slightest interrogation. Labour councils themselves want to raise taxes locally at or above the flexibility we are proposing. Labour and Liberal Democrat councils consistently have higher council taxes than Conservative councils. Labour councils consistently underperform Conservative councils. Whether it is Croydon or Nottingham, they are consistently letting down their local residents.

Gary Sambrook: May I add to the Secretary of State’s list? In Birmingham, the city council originally budgeted £2 million to move a bus depot. That escalated to £16 million, which local people are going to have to pay, all to achieve a move down the road of only 300 metres. Is that not just a perfect example of Labour incompetence in local government?

Robert Jenrick: There are many examples I could cite from Birmingham City Council, but I do not think time allows me to do that.

Let us contrast this Government’s approach to protecting the interests of local tax payers with that of Labour. In one year alone, the last Labour Administration oversaw an increase in council tax by a staggering 12.9%. In comparison, as we have said, since 2010 this Government have implemented five years of council tax freezes, under which the great majority of councils did not increase council tax at all. In retail price index terms, council tax is lower than it was in 2010. We have introduced legislation to end crude and universal top-down capping, ensuring significant council tax increases can be implemented only through a referendum, giving local tax payers a right to veto excessive tax increases.

Across the country, Conservatives charge the lowest taxes. We see this on the ground wherever we look. In the Leader of the Opposition’s constituency, in Labour-run Camden, council tax is three times as high as in neighbouring Conservative-run Westminster. As I am sure the hon. Member for Croydon North (Steve Reed) can testify, residents in Labour Merton and Lambeth pay almost twice the council tax of residents living just one or two roads away in Wandsworth. The Mayor of

London has presided over a rise in council tax every year he was elected. To put that in perspective, when the Prime Minister was Mayor, he reduced the amount of council tax he charged Londoners by almost 11% during his tenure. In his last year alone, band D households in the 32 London boroughs saw their Greater London Authority council tax charges fall by 6.4%. Across the country, Conservative Mayors, whether Andy Street in the west midlands or Ben Houchen in Teesside, are continuing that tradition: low on taxes; high on leadership and delivery.

The provisional local finance settlement, which I announced to the House on 17 December, set out our proposals to increase the core spending power available to councils by 4.5%, a significant and real-terms increase. That comes on top of a 4.5% real-terms increase this year—a settlement the Labour party considered so good that, for the first time in living memory, it did not even oppose it. In total, we expect core spending power for English councils to increase from £49 billion this year to £51.2 billion next year, in line with last year's increases and recognising the resources that councils need to meet extraordinary pressures while maintaining the essential services they provide.

The measures I proposed will provide an additional £1 billion of funding for adult and children's social care. We have also confirmed that we intend to roll forward last year's £1.4 billion of social care grant and continue the 2020-21 improved better care funding at £2.1 billion. We are considering responses to the settlement consultation and will return to the House to set out the final funding package for local government in the very near future.

The shadow Secretary of State has suggested to the House today that this Government have not delivered on our commitment to communities during the pandemic. This past year has seen the largest ever injection of in-year cash to the local government sector. Taken together, we have provided over £36 billion of support to and through local government in response to the pandemic. To put that in context, in 2019-20 the entire council tax take for the whole of England was £31.6 billion—less than we have provided in year to and through local councils this year alone. Local authorities have received £8 billion in direct funding, with a further £3 billion extra already announced for 2021-22, and we forecast adding an additional £1.2 billion to that from schemes to compensate for lost council income from sales, fees and charges.

That takes the total additional funding provided to local authorities to over £12 billion, £2 billion more than the sum the Local Government Association called for at the start of the pandemic—the sum the shadow Secretary of State himself estimated to be the cost to councils of covid at the time. We know today that we have provided £1 billion more than local government has self-reported to my Department as covid-related costs throughout that period—£1 billion more than even councils have told us they have spent and need. Let us be clear that when the Prime Minister, the Chancellor and I promised to support local councils and the communities that rely on them, we meant that promise, and we have delivered on that promise.

Since the start of the pandemic, we have mobilised our welfare system like never before, with generous income support schemes, mortgage holidays, support for renters, a £500 million local authority hardship fund, a £170 million covid winter grant scheme and much-needed help with

utilities. To support local economies, we have provided £12 billion in grants to thousands of businesses the length and breadth of the country, and a business rates holiday worth around £10 billion to local retail, hospitality and leisure sectors. We have operated a major reimbursement scheme for lost council income, recovering billions of pounds from car parks, leisure centres, theatres and tourist attractions—money that will go to help councils move forward and recover.

That is not even to mention £4.6 billion of un-ring-fenced grant support to councils, £1 billion through the infection control fund, £1 billion through the contain outbreak management grant and £300 million via the test and trace service support grant. I could go on and on: 5 million food boxes delivered; 2 million shielded people protected through councils; and, of course, 33,000 rough sleepers brought in off the streets under the world-class Everyone In programme, and given the chance to rebuild their lives. That is central Government and local government working together through a unique pandemic to support millions of people across the country.

Local government has been—and remains—at the forefront of our response to covid-19. This Government are proud to stand shoulder to shoulder with local government in its hour of greatest need: with the officers, the teachers, the refuse collectors, the care workers, and the environmental health officers enforcing our regulations. For all that they have done, we salute them and thank them on behalf of our communities and our country. We owe them the stability, certainty and flexibility to plan for a brighter future ahead, and that is exactly what we have done, what we will do and what we will always do for them.

Our communities have never needed good council leadership more than they do today. Whether it is in Croydon or in Nottingham, across the country the reputation of too many Labour councils is, frankly, rotten. We take no lectures from the Labour party, which presided over eye-watering increases in council tax throughout its time in office, and whose economic mismanagement in local government has been laid painfully bare for all to see. The reports of those councils—Croydon and Nottingham—spell it out: mismanagement; waste; poor public services; and, yes, higher council taxes. There is a toxic legacy of debt and dysfunction, not just for today but for future generations. And where, frankly, was the shadow Secretary of State? Where was his denunciation of Croydon and Nottingham? He was silent. He was invisible. His famous Twitter account was as uncharacteristically quiet as that of Donald Trump—no leadership when the country needed it.

While we have reduced council tax in real terms under our watch, Labour has increased it time and again. While we have been clear that we have a plan to protect local councils and that we care about local council taxpayers, Labour has perfected the art of saying nothing at all. Frankly, council taxpayers across the country deserve better than this absurd and hypocritical debate from the Labour party, and they will have the opportunity to say so in May.

Mr Speaker: For the avoidance of doubt, the Secretary of State has not moved the selected amendment. The Question before the House remains that already proposed, as on the Order Paper. I remind hon. Members that a time limit is in effect for Back Benchers. The countdown

[Mr Speaker]

clock will be visible on the screens of hon. Members participating virtually and on the screens in the Chamber. For hon. Members participating physically in the Chamber, the usual clock in the Chamber will operate. I am going to start with a four-minute limit. I call Peter Dowd, up in Liverpool.

4.7 pm

Peter Dowd (Bootle) (Lab) [V]: Listening to the Secretary of State, it seems that everything is fine in local government, and local authorities have all the money and resources they need. Well, the Local Government Association does not say that, the Institute for Fiscal Studies does not say that, council leaders do not say that and Tory MPs—the ones who have a spine, anyway—do not say it. The Secretary of State consulted local government given the dire circumstances, and local government gave a view about council tax; it is entitled to do that.

The year 2021 marks 40 years since I was elected as a Merseyside county councillor, and now we have the city regions. Those councils were abolished by Mrs Thatcher—mainly because they stood up to her—and the beginnings of the first stage of austerity began. It seems that nothing much changes in 40 years. I continue to see local government bear the brunt of cuts and policies of retrenchment in the light of the Government's inability to see beyond the confines of Westminster and Whitehall. Not content with making a hash of virtually every policy decision and initiative in relation to covid—I use the words “policy” and “initiative” with a certain amount of caution—they continue to dump on local government.

When I was the leader of Sefton Council, I often referred to the overall balance experienced and witnessed among local councils across the country. As early as 2010, my council had in-year cuts to funding—for example, for neighbourhood renewal funds—and things simply got worse that after that stage. As time went by, my authority had cut after cut after cut. When I first came to the House in 2015, five years into austerity, I heard one Conservative Member express surprise at and bemoan the fact that his local police authority was supposed to find savings that year—it was as though he was some sort of Rip Van Winkle who had just woken up. The shadow Secretary of State, my hon. Friend the Member for Croydon North (Steve Reed), is a former council leader, like me, so has witnessed the impact of continued retrenchment in local council finance. That is the responsibility of the Government, not local government.

Meanwhile, as the unprecedented crisis in local government goes into even deeper and darker places and councils struggle to provide the most basic of services, the Secretary of State should be concentrating on the wellbeing of the living, not on the wellbeing of inanimate objects and issues such as the removal of statues in various areas. It is a diversionary tactic; I am sure the Secretary of State could have come up with something a tad more imaginative than that.

Allowing and expecting councils to increase council tax by 5% will mean very different things for households in different parts of the country. Although the percentage increase is uniform throughout the country, the starting point in absolute terms is very different. It is important to take that into account. If we follow the Chancellor's assumption that councils increase tax by the maximum

allowed, for band D householders in the Sefton Council area, the tax will go up in April by £99 for 2021, compared with £54 in Westminster and £55 in Wandsworth. Is that fair? No, it is not.

I have a number of questions for the Secretary of State. With the UK having experienced the worst recession of any major economy, does he really think that now is the time to raise council tax? Does he recognise that most councils will simply have no choice but to raise council tax to preserve crucial services such as adult social care and children's social care? What assessment has he made of the impact on the economic recovery of taking £90 out of the pockets of families? Frankly, is it not about time that, instead of bowing down to the Chancellor, the Secretary of State stood up for local government and said, “Enough is enough”?

4.11 pm

Mr Simon Clarke (Middlesbrough South and East Cleveland) (Con) [V]: It was my great privilege to serve as the Local Government Minister for the first six months of our response to covid-19, and am I am grateful to have this opportunity to commend the whole sector for its response. I witnessed three things in my time at the Department that are particularly relevant to today's debate. First, I witnessed the absolute sincerity of my right hon. Friend the Secretary of State, and all in the Department, in respect of the Government's commitment to provide all the support that the sector needs throughout the pandemic.

As we heard my right hon. Friend say in his speech, the gap between what many leaders say and what the sector then self-reports to the Department is often profound. Throughout the spring, we faced real concerns about the number of councils that might need to issue section 114 notices to declare themselves effectively bankrupt; as we have seen, that has not transpired. It has not transpired for a reason: namely, the effective and highly tailored support schemes that have been put in place alongside direct grant support. We should not underestimate the complexity of the local government landscape and the need to respond to the different challenges that face different types of council in different parts of the country. That response has been accomplished, and councils have worked admirably and been able to get on with delivering their important work.

Secondly, I saw the exceptional knowledge and dedication of the local government finance team in the Department. The team's staff live and breathe the work and the recommendations of Ministers reflect the hard work that they put in in direct conversation with council finance officers. We have struck a fair balance, apportioning the costs of our response to covid-19 between central and local government. Most reasonable people would accept that that is the only realistic route through the current situation.

Thirdly, we need to recognise that local authorities clearly have important responsibilities, too. Some authorities have been hit hard over the past year by factors that are legitimately outside their control. Some, such as Bath and North East Somerset Council, have been affected by factors relating to covid; others have been affected by issues such as cyber-attacks—I know that Ministers are working hard to resolve the situation at my local authority, Redcar and Cleveland, at pace. Such authorities must, and will, be supported.

However, other authorities have made seriously poor decisions for which they simply cannot attempt to blame central Government. The Secretary of State has already referred to the situation in Croydon and the reverse Robin Hood scenario that has played out in Nottingham. The sheer brass neck of the shadow Secretary of State in tabling today's motion is genuinely astonishing, given that it is overwhelmingly Labour councils that have failed. I could go on: Bristol, Southampton and Brent, and the situation presided over by the Mayor of London, that master of evasion, which deserves to be punished by the electorate in May. It is of course the Labour group on the Local Government Association that is so keen to abolish the referendum lock, which is the only thing that in practice stands between ratepayers and exorbitant tax rises, so for the Opposition to initiate today's debate is, I am afraid, pretty rich.

The Government have put in place an unprecedented package of support. What councils do beyond that is, rightly, a matter for them. This Government and Conservative-led councils will focus on getting the basics right: prudent financial management, driving down costs and waste, delivering high collection rates and supporting the truly vulnerable. I would note in this regard the extra £670 million next year that the Government have allocated to address the council tax hardship, which follows the £500 million for the same purpose this year. We have local democracy in place for a good reason. Councils control important aspects of our lives and should be accountable for that. Central and local government together have to meet the costs of responding to the pandemic, and for that reason, the quality of local decision making matters enormously.

4.16 pm

Mike Kane (Wythenshawe and Sale East) (Lab) [V]: It is clear from the tone of the debate so far that Conservative Members have an ideological aversion to local government and local communities making decisions for themselves. The impact of covid-19 leaves a £50 million hole in Manchester City Council's budget and a £37 million hole in Trafford Council's budget for 2021-22. Both local authorities, which cover my constituency, are stuck between a rock and a hard place, being forced by the Government to propose increases to council tax in the middle of a pandemic. The savings options being considered by both local authorities will protect frontline services where possible. However, the tough options of cuts and savings are still hard to stomach.

Last week, communities in my constituency were affected by Storm Christoph, with residents being evacuated from their homes because of flood warnings on the River Mersey. The response by Manchester and Trafford local authorities was second to none, and I praise them for their outstanding response. Unfortunately, when the Prime Minister visited the Mersey valley last week, he failed to understand that those outstanding responses by the local authorities involved will become harder in future because of the depth and breadth of the cuts he is proposing. Communities at risk of flooding must not be let down because of inadequate resources. We must not let that happen at any time in the future.

Trafford Council has a funding gap of more than 20% of the size of its revenue budget for next year. It has also spent £50 million more than its £175 million revenue budget for this year. This demonstrates the scale

of what local authorities such as Trafford are handling in excess of their usual workload in their response to covid-19, and with income streams falling, the demands on statutory services remain. The council tax hike will hit families in Wythenshawe and Sale East hard, when so many are worried about their future, the future of their jobs and how they will get through the next few months, particularly in a community such as mine, where tens of thousands of jobs are dependent on aviation at Manchester airport. With the Government not having given any specific aviation deal, many families in my constituency remain worried. The Government need to recognise that local government needs to be properly funded and that Manchester and Trafford residents must not be hit with a rise in their council tax bill and deterioration in their services.

4.18 pm

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con) [V]: Greetings from the land of King Alfred. We are doing well down here, and I am delighted to be able to join this debate. Very few people in Somerset will burst into song when their council tax bills arrive. I will say that the tax collectors on our four district councils spend their share of the money with commendable efficiency; they have shown that over the last year with covid. However, the bulk of the cash goes straight into the coffers of Somerset County Council, and that is where the trouble starts. This lumbering dinosaur of a local authority has an appalling record of mismanagement and financial jiggery-pokery dating back decades. Far too often, we hear it pleading poverty and begging for extra grants from Government, and it has been doing that recently. The whole idea of the unitary is to save the council from bankruptcy, we were told, and I am sure that that will not bypass the Secretary of State. For every bleeding heart story, there are shocking examples of bad decisions, blind leadership and sloppy practice. Somerset County Council, I am sorry to say, is a lost cause. Turning it into a unitary, which is what the council is after, will make it an even bigger failure, and I hope the Secretary of State ponders on that.

Let me give you an example, Mr Speaker. In common with many councils, the road network under Somerset County Council is an expensive failure and has been a complete disaster. The council signed a contract with Skanska, a worldwide enterprise with a pretty good reputation, three years ago. Skanska would fill the potholes, lay the tarmac and smooth out the wrinkles of the incompetence in county hall, all for £30 million a year. Common sense says that you get precisely what you pay for—not in Somerset. Believe it or not, the council has not checked the Skanska invoices. At the moment, the council has overpaid by more than £300,000 and probably a great deal more; the guess down here is that it runs into millions. When the regional auditors spotted the error, Somerset County Council deliberately hid the report, but it will emerge, I am glad to say, on Thursday.

Secrecy goes hand in hand with incompetence. Somerset County Council received around £43 million to ease the burden of the pandemic. We have all been trying to discover where that grant has gone on, including our council tax money. The council offered assurances but no proof. Tens of millions went into a reserve fund, which can be used for anything. We have all asked—not

[Mr Ian Liddell-Grainger]

just me—for a precise breakdown, but we have yet to get it. How can we trust anybody who does not tell us the whole truth?

That is why I will not support the Opposition motion for any reason whatsoever. Labour wants to freeze local government taxes and ease the burden of fighting covid by offering a bottomless pit of money for councillors. It is not going to work; we know that. My district councils have spent the money wisely. Three of them are not of my persuasion, and I am impressed. They have done the work they are meant to do without compromising their ethics or concentrating on becoming a unitary. None of them has complained. They have used the money wisely, and they have done a lot of good. Somerset County Council was given shedloads more but will not reveal where the money went, so why on earth should we pile money into the manhole of Somerset County Council when we do not even know which way it is floating? On behalf of the people of Somerset—and you know how feisty they can be, Mr Speaker—may I say that we do not trust it?

Mr Speaker: I am glad that the hon. Gentleman is on the fence.

4.22 pm

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): As a former councillor, I am glad that we are able to hold this debate today. Before entering this place, I was a councillor for 17 years and saw at first hand the impact that austerity has had on our city and its families. I also saw the challenges we faced in trying to prioritise budgets in the face of wave after wave of cuts. Since 2010, many local authorities across the country have had to grapple with devastating cuts. My council in Sheffield has lost almost 50% of its budget, with cuts amounting to £475 million. Throughout this period, the Labour council has made difficult decisions and been forced to adapt many services, but it always sought to protect the most vulnerable in our city.

The Government's proposals to allow councils to raise tax by up to 5% is absurd. It would not come close to addressing the funding crisis that many are experiencing. Next year's costs for adult social care alone in Sheffield will be £31 million. A 3% increase would contribute only £6.6 million to that cost. The further 2% would contribute only £4.4 million. That does not come close enough to addressing the covid funding gap of £61 million that Sheffield City Council faces next year after the £92 million cost of responding to the pandemic.

This policy flies in the face of the Government's levelling-up agenda by benefiting wealthier areas. While a 5% increase in Sheffield would raise £9 million, Surrey County Council would raise £38 million with the same increase. Councils across the country will, of course, be reluctant to raise council tax by 5%, but the Government have given them no choice. They have done what they do best: they have shifted any responsibility away from themselves. No council faced with significant funding gaps would refuse even the slightest boost to funding during these challenging times. It is shameful to hold councils to ransom in this way.

My constituency of Sheffield, Brightside and Hillsborough ranks as the 12th most deprived constituency in England. Over a third of children are eligible for free

school meals. Very many of my constituents face tremendous hardships to make ends meet. Claims for universal credit have risen by 95% since March, with almost 14,000 families now receiving the payments—around half of these are in work. While the Government consider removing the uplift, they are also moving forward with this plan, which would add further strains to household budgets.

Families in Brightside and Hillsborough have particularly felt the cost of covid-19. Funding this increase will be more difficult for many families in our community than in more prosperous areas. I am deeply concerned that pushing forward with this plan would only further the hardships that many of them face. Hundreds of thousands of families across the country are feeling similar pressures. The Prime Minister said he would do "whatever it takes". It appears that this meant abandoning councils and pushing the burden of support for their strained finances on to local taxpayers.

The Government are adept at performing U-turns, so I hope that they will do another and scrap this policy. The Chancellor must prioritise introducing a comprehensive funding settlement for local government to redress the budget imbalance that a decade of cuts and the covid-19 pandemic have caused.

4.25 pm

Brendan Clarke-Smith (Bassetlaw) (Con) [V]: Today, we have heard arguments that the Government are forcing councils to increase council tax and that they have not adequately funded the costs associated with the covid-19 pandemic. The reality, however, is quite different, and the comprehensive spending measures taken have been set out clearly by the Secretary of State. Conservative councils on average also set the lowest band E council tax rates and, since 2010, we have ensured that council tax has fallen in real terms. That compares with the last Labour Government, when it doubled.

We know that councils face many challenges, but we also know that many decisions are taken locally and that taxpayers do not always get the value for money that they deserve. In my first real venture into politics, I spent many years as a councillor in the city of Nottingham, so I was very disappointed to hear of the scandal involving council-run Robin Hood Energy, a company that set out to help people struggling with their bills, but instead, failed to turn a profit and ended up losing millions and being closed down, leaving 230 workers redundant. Unlike the real Robin Hood, this one ended up taking people's money and then losing it. While Alan Rickman's sheriff famously suggested calling off Christmas, it is now the modern incarnation in the form of the Labour council that will see budget cuts of £15.6 million, the loss of 272 full-time jobs and numerous cuts in services.

At its peak, Robin Hood Energy supplied energy to 125,000 customers around the country, many of those through council-run partners. Its turnover went from £4.6 million in 2015-16 to nearly £100 million in 2018-19, but, in all but one year, that growth translated not into profit but into bigger losses. By March 2019, it was in the red by more than £34 million. Auditors Grant Thornton calculated that the council had invested a total of £43 million into the company and risked £16.5 million in guarantees. It said that the council had failed to act on warnings to manage their budgets and criticised the use of councillors

on the boards of its companies without sector-specific knowledge, which it said led to huge debts. They now plan to sell off £100 million in assets to make up the shortfall and balance the books. In short, their coffers have had their hearts cut out with a spoon.

Compare this with Conservative-led Nottinghamshire County Council, which has managed its budget admirably. In my constituency, Labour-controlled Bassetlaw District Council has been given a great deal of Government support, with £54.2 million of funding in 2020-21, including an additional £2 million in covid-19 funding. In 2017, some councils in Nottinghamshire spent tens of thousands of pounds paying over and above the Government's recommended rate for mileage. Notably, Bassetlaw paid the highest rate in the entire country—69p per mile—and, at the time, Her Majesty's Revenue and Customs recommended only 45p per mile.

Other Nottinghamshire councils are no different with wasteful spending—for example, independent Ashfield District Council, which has created five extra cabinet positions and a political officer at a cost of £90,000, while increasing council tax. In Mansfield, the Labour-run executive Mayor's office costs around £250,000 a year, and that is also entirely unnecessary.

This Government and Conservative-led councils have shown the way in terms of sound financial management and sustainable public finances. It is time the Opposition took note.

4.29 pm

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): As a former councillor—I was a councillor for a decade—I am extremely grateful to be able to take part in today's important debate on increases in council tax.

In the depths of this chilling, coldest of winters, it is hard to believe that spring is on the way: the numbers of infections and deaths are rising; the hospitals are full; and the country is in lockdown. The vaccine obviously brings hope and I applaud those delivering the millions of doses, but we all know that there is still a mountain to climb. The harsh truth is that the economic price will be paid for years, if not decades. This is the worst recession for 300 years and the worst of any developed nation.

According to the Office for National Statistics, public sector debt is at an all-time high of £2.13 trillion. At the same time, tax revenues are down 0.7% year on year, and the Bank of England says that the unemployment rate will peak at 7.7% in April to June of this year. We rightly ask: what is the best possible policy to prevent economic carnage such as we saw in the 1930s and the 1980s, to create growth, to build better services, to protect jobs, and to make our economy stronger? We rightly ask: who should shoulder the biggest burden? Should it be those who are most able to afford it, or those who are least able to do so—the people who put on the personal protective equipment or the people who profiteer from selling it at exorbitant prices?

Ministers want a continuation of austerity and they want the poorest and the most vulnerable to pay for the crisis. Their proposed increase of up to 5% in council tax is further proof of that. It is not just morally wrong to increase council tax in the depths of a pandemic, but economically illiterate. As the Institute for Fiscal Studies states:

“Now is not the time to raise taxes; the economy is still weak and the recovery only just starting.”

We have had the pay freeze for key workers. We have cuts to universal credit on the way. We have seen increases in unemployment and growing reliance on emergency food parcels. In Slough alone, food banks distributed 6,533 food parcels to people in the past year. Now the Government want to increase council tax. In Slough, that would mean an increase in band D of £88. That represents the difference between turning on the heating or sitting in the cold; or between eating three meals a day or going hungry. There will be less money to spend in the local economy, hitting local shops and services. We need strong, resilient public services. When faced with a crisis, we do not need Serco; we need Slough Borough Council, the NHS, the armed services and all the amazing public services that make up the public sector.

It is nearly a year since the Secretary of State addressed more than 300 local government leaders, and the official press release, dated 16 March 2020, is still on the Government website. It says:

“The government stands ready to do whatever is necessary to support councils in their response to coronavirus, the Local Government Secretary confirmed to council leaders today (16 March 2020).”

I repeat, “whatever is necessary”. Have any other words turned to ashes so swiftly? By 4 May, the Secretary of State was telling councils not to labour under the false impression that they would be guaranteed funding from central Government. Well, who created that false impression in the first place? What dishonesty! It is no wonder that councils feel absolutely betrayed. My right hon. and learned Friend the Leader of the Opposition and my hon. friend the shadow Secretary of State for Communities and Local Government have recently written to the Government calling on them to think again, to protect families and to boost the economy. They are right, and that is why I shall support the Labour Opposition motion tonight.

Several hon. Members rose—

Madam Deputy Speaker (Dame Rosie Winterton): Order. There is a lot of pressure on time, as I am sure colleagues know, so we will now be taking the time limit down to three minutes. I understand that those participating virtually have already been informed of that, but I wanted to inform the Chamber.

4.34 pm

Steve Double (St Austell and Newquay) (Con) [V]: I was not informed that the time limit had been cut, but I will try to keep to three minutes.

As a former councillor and cabinet member of Cornwall Council, I know at first hand the important role that local authorities play in the lives of our constituents. There can be no doubt of the important role played by Cornwall Council, and councils up and down the country, in supporting local communities as we have faced this pandemic. In particular, I place on record my thanks to town and parish councils for the incredible work they have put in to support their local communities.

The Government have shown their recognition of the role that councils play with the support we have provided to local councils throughout this pandemic, amounting to billions of pounds. Cornwall Council alone has received more than £555 million to support the people of Cornwall. I am therefore pleased that this motion today gives us the opportunity to highlight the important work that councils do.

[Steve Double]

I am not surprised, however, that the Labour party's motion misses a number of important points. First, it misses the Labour party's own record on council tax. I remember when the Labour party was in government, when council tax doubled. Even now, Labour-run councils cost the taxpayer £84 a year more and Liberal Democrat-run councils a staggering £132 a year more than the average Conservative-run council. If we want to know what a Labour Government would do with council tax, we only have to look to Wales.

Secondly, the motion misses the point by saying that the Government should provide funding, but without saying where it should come from. It is all taxpayers' money; whether raised centrally or locally, someone has to pay.

Are the Opposition suggesting that tax rises should be put in place to fund local authorities across the country? That would mean taxpayers in Cornwall paying so that Sadiq Khan can subsidise travel for Londoners. I do not believe that would be right. Or are they saying that we should take money away from other essential public services to fund the council tax from other Government budgets? If so, they need to say where the money would come from.

I am sure that the Liberal Democrats and independent councillors who run Cornwall Council would love to hide away their spending from local taxpayers, but the whole point of council tax is that councils are answerable to local taxpayers for the decisions that they make. In Cornwall, we have many examples of the Lib Dem-independent administration wasting money, such as funding an office in Brussels, even though we have now left the European Union—wanting to continue it at a cost of tens of thousands of pounds a year—or a £2 million failed IT system that hardly anyone has used.

I believe it is right that local council tax is raised by local councillors who have to answer to their electorate for the decisions that they make.

4.37 pm

Liam Byrne (Birmingham, Hodge Hill) (Lab) [V]: Let me just start with a point that I think many of us will share: in these debates about numbers, statistics and finances, we must remember the lives that are at stake.

Most of us will never forget the stories of love and loss that we have heard this year, stories such as those I heard from the family of Sarah Scully. Their mum, Sarah, went into hospital and said goodbye to her family at the hospital door. Sarah was pregnant. She had to be given a caesarean section, but was so ill she had to be put into an induced coma. Tragically, she died before she was ever able to hold her newborn baby in her arms. Or stories such as Monica's. She had been married to her husband since she was a teenager. They both got covid, but went into different hospitals. She got the news from her husband that she had feared by text message: "Told just 24 to 48 hours to live." Or stories such as Bishop Windsor's, who buried so many people in his congregation that he did not know how that congregation would ever recover from their agony of loss. Now, after all that agony and pain, and after all the anxiety of the job losses, in Britain's second city we are being handed a bill—a bill to make good on the underfunding of this Government.

Last May, we wrote a cross-party letter to the Minister to warn that the costs of covid in our city would total some £282 million. That included the £92 million extra for social care, to cover the costs of PPE that never arrived or to ensure that there was a safe social care system after the protective ring around care homes failed, and £95 million in lost income, as well as business rates going down and council tax support going up. It is true that the Secretary of State provided some grants to make good on that, but as of last year, we were still £100 million short because our council, led by Councillor Ian Ward, decided to step up and help protect the people of our city where there were shortcomings from the Government. Now, what was the result of that? A 4.99% increase in council tax—£72 a year for a band D home.

How on earth can it be right that council tax payers in places such as Surrey are being cushioned, when council tax payers in Birmingham and the west midlands are being punished? We took the Secretary of State at his word when he told us that he would ensure that there were the resources we needed to do the job. He has reneged on that. It is people—people who are going through hell on earth—who are now being asked to pick up a bill for Government underfunding. That is simply not right, and I, along with my colleagues, urge the Government to think again.

4.40 pm

Sir Paul Beresford (Mole Valley) (Con) [V]: I listened to the previous speaker, the right hon. Member for Birmingham, Hodge Hill (Liam Byrne). The sad things he is telling us go right across the country, and that is why the Government have put a staggering £36 billion into local authorities and local businesses. Some £4.6 billion of that has been given in unprecedented, unring-fenced grants to those local authorities, and many of them, particularly the Labour ones, should be looking over their shoulder at how they have been spending the money. Their largesse is often outrageous.

It is interesting to compare three south London councils: Southwark, Lambeth and Wandsworth. All three are very similar, in that they are London local authorities, all with similar needs and a similar population. All have similar inner-city problems. They are neighbours. The first two are Labour-controlled, and have been through a considerable period of time as Labour-controlled councils. They have a reputation for high council taxes, without the quality of services to match. Wandsworth is a Conservative-controlled council. It has a reputation for high-quality services and low council tax. The central Government grant to Lambeth is approximately 15% higher than that to Wandsworth. The grant to Southwark is approximately 20% higher. The grant per head of the population is approximately 20% higher for both the Labour authorities.

If one looks at the council tax of those authorities, after the removal of the Mayor's precept, Wandsworth's council tax for this financial year at band D is approximately 40% that of the two Labour authorities, and it provides better services. Those councils should look to their expenditure. That is where they should be looking, but I guess they will not.

We all recognise that covid has put all local authorities under considerable pressure, but that is no excuse to agree the motion we are considering, which would cover

the inability of many Labour authorities to better manage their services. They should use this opportunity for the sake of the public to keep their council tax rises right down, if not to zero.

4.43 pm

Shabana Mahmood (Birmingham, Ladywood) (Lab) [V]: When the Secretary of State said that the Government stood ready to do whatever is necessary to support councils in their response to the pandemic, council leaders at the sharp end of responding to the pandemic were entitled to take him at his word, and they were right to do so. It is an absolute betrayal that the Secretary of State has since gone back on his word and that councils face a total shortfall across all local authorities of £2.6 billion. We can compare that with the billions the Government have wasted during this crisis on contracts handed out to people with strong links to the Conservative party and people who have been donors to the Conservative party. Those contracts have failed to live up to what they were supposed to be delivering, all while local authorities face such a huge shortfall. It is unconscionable.

In Birmingham, we face a shortfall of £207 million, and the Government have not even pledged half of that amount. Over the next two years, our council is expecting an additional spend of £55 million on adult social care, £11.4 million on children's social care, £9.5 million on education and £2.3 million on PPE. Which of those, I ask the Secretary of State, is superfluous to requirements? Which of those is an add-on or a waste of money? None of them—they are part of the statutory responsibilities of our local government. In Birmingham, we are expecting a total loss of £44 million in business rates and £20 million in our council tax receipts. Given the state of the economy, does anyone seriously think that business rates and council tax receipts will recover quickly, if at all? The changes that are occurring to the high street, as I speak, mean that the high street is changing beyond all recognition and some of its revenue will never return to local government.

The expectation of a 5% increase in council tax implicit in the Government's own numbers is morally wrong, given the promises that the Government made at the start of the pandemic, but it is also wrong that the Government continue to pass the buck on funding for local government. For a decade they have succeeded in devolving the blame for their cuts, but they know that the biggest factor that is driving up expenditure of local government is adult social care. We have an ageing population, and that brings with it increasing costs, much of which are currently picked up by council tax payers. This method of funding is simply not sustainable.

The pandemic has brought into clear focus the parlous, frighteningly fragile state of our adult social care. It is a dereliction of duty that the Government have for 10 long years failed to come up with a sustainable solution to the adult social care crisis, preferring to let councils and families muddle through. That cannot continue. I urge the Government to change course and come up with fairer, more sustainable funding for local government.

4.46 pm

Mike Wood (Dudley South) (Con) [V]: Before being elected to Parliament, I had the honour of being a local councillor in Dudley, including serving as shadow finance cabinet member. Having seen Labour's record on council

tax when running Dudley Council and when in power nationally, I am amazed that Labour Members have the sheer brass neck to talk about council tax. In the six years when we had both a Labour Government and a Labour-run council, Dudley's council tax rose by more than 45%—by twice the rate it has gone up over the past six years. Since being a Member of Parliament, I have heard Labour Members in this House and Labour councils around the country demanding that the referendum cap be scrapped, yet now they attack an increase raising that cap by 1% more than last year—an increase that is earmarked to fund social care. How I wish that this change was the result of some damascene conversion, but sadly the reality is more cynical.

As a Conservative, I want all taxes to be as low as possible for hard-working families in our communities, but at the same time I know that the vital services that local councils provide have to be paid for. I declare an interest, as I have a brother who works in social care. To meet the urgent care of more people being likely to need greater and more expensive social care, for longer in their lives, the cost will have to be shared between central Government, local government and those who benefit most directly. Government is about making difficult choices, but instead of addressing those choices, the Opposition's response is, "Can't someone else pay for it?" That is not principled leadership; it is cynical opportunism. The public expect us to work together to find solutions to the greatest issues facing our country, and there can be no greater challenge than reforming social care.

A 1% increase in the cap allowed for the earmarked rise in council tax for social care works out at less than £40 per year for a household in Dudley—less than £1.20 per month. It is a necessary short-term measure while long-term reform is properly considered. We must find a sustainable solution to social care that is fair to those who need care, fair to those who provide it, and fair to the taxpayers both locally and nationally who will have to pay a share. The people we represent deserve better than the ham-fisted attempts today to score political points at the expense of short-changing our social care system.

4.49 pm

Paula Barker (Liverpool, Wavertree) (Lab) [V]: Before entering Parliament, I spent my entire working life in local government. Local government as an institution is one of the great pillars of our democracy. It is in every sense the frontline, providing the bread-and-butter services our communities and our people rely on day in, day out. I cannot be more earnest in delivering this message from the frontline: morale has never been more crushed or in such short supply within local government than it has for this last decade. Half a billion pounds has been slashed from my own council in Liverpool in the past 10 years and more than £10 billion from local government overall, with a postcode lottery where the Tory shires are cushioned from the devastation inflicted on councils across the north of England.

The disturbing irony of it all is that the Conservatives claim to be no big believer in the central state, yet trash the very institutions that have the expertise and know-how to put local people in charge of their communities' own destiny. They talk a good game on devolution, but we know in the north that the reality is quite the opposite.

[Paula Barker]

Meagre powers with little resource do not deliver real change, nor do they come anywhere close to levelling up. The Conservative party talks an even mightier game on tax and spend, but there is nothing to justify such assertions if the modus operandi is to shift the tax burden from progressive taxation to the most regressive of taxes, council tax. The most sinister swindle of them all is when local people receive their council tax bill. The top does not read “Ministry of Housing, Communities and Local Government” but “Liverpool City Council”, “Salford City Council” or “Leeds City Council”. I dare say that if the opposite were true and blame was directed where it truly belongs, to Whitehall, the Government would think twice about backing councils into a corner like this.

Social care is a case in point. If this Government in all their delusions honestly believe the way to put adult social care on a truly sustainable financial footing is to pillage the pockets of local taxpayers with huge council tax hikes that let the wealthiest off the hook and allow the poorest to shoulder the greatest burden, they are in for a shock. Squeezing the tax base in areas of high deprivation to subsidise an inadequate adult social care business will never ever provide the solutions our people need as our population grows older and therefore more dependent on such services.

This Government have abjectly failed to live up to their own mantra of “whatever it takes” when it comes to local government. Our councils are delivering despite the most difficult circumstances. Instead of forcing more of them into the humiliation of section 114 notices, let us restore essential government grants, cancel the council tax hike and keep the money in the pocket of working-class people.

4.52 pm

Jane Stevenson (Wolverhampton North East) (Con) [V]: As a former councillor in Wolverhampton, I want to thank City of Wolverhampton Council for its work during the pandemic to get Government support to our most vulnerable residents. Delivering help at a local level is often more efficient and more effective, and I welcome the recent announcement of the holiday food and activities programme, which will be so beneficial to children in my constituency.

The Government have also provided a huge level of funding to local government to manage the pandemic. During the first lockdown, I drove a food parcel van each week out of the Aldersley food hub. Although it may have had a council logo whacked on every box, it was directly and entirely funded by this Conservative Government. I am very proud of that. A total of £148 million of covid funding has been channelled through Wolverhampton city council to support our businesses and our most vulnerable people in addition to un-ring-fenced funding—millions of pounds of additional support for food and essential supplies, for rapid testing for infection control, for the winter grants scheme and to help rough sleepers, among other things. Next year funding for my council from Government will rise by 4.6%.

I am sure that the political football of council tax will be continually kicked around, but what I want to speak about is value for money for their council tax for all our residents around the UK. I want to recognise the important

work carried out by councils across the country, but I also want to use this speech to urge more people to hold their councils to account and to get involved in the decisions that shape council spending. I was disappointed at how few people took part in local budget consultations when I was a councillor. I know that attending such meetings might seem less attractive than an evening in the pub, but these decisions are important and affect local planning decisions and local services. I find that many people do not have a good understanding of where decisions are made. As an MP, I am called out on plans to pedestrianise the city centre, high salaries in the civic centre, the disastrous Civic Hall renovation and £130,000 being spent on award ceremonies. All these local decisions are made at council level.

As my constituency has a Labour council and is an example of a seat that will benefit from the Government's levelling-up agenda, I will continue to push for more money to come to Wolverhampton, and I would like to hear our communities speak up at local level, ensuring that they get value for money and that this investment is wisely spent.

4.55 pm

Paul Maynard (Blackpool North and Cleveleys) (Con) [V]: May I start by praising both Blackpool and Wyre Councils, controlled by two different political parties, for their superb efforts on behalf of local constituents?

There was a fascinating letter in *The Times* last week from a lady in Hertfordshire, accusing the Conservatives of complaining about Labour's playing politics with Opposition day debates. She wrote:

“The opposition had asked for a serious debate, which is exactly what parliament is for.”

I agree that serious debate is what we are here for, but she must never have watched any of these Opposition day debates; or if she has, she must surely be seriously disappointed at the poor quality of contributions from Labour Members.

There is a real irony in Labour lecturing us about council tax. I know that Labour does not like losing elections—who does?—but it takes some nerve to expect a Conservative Government to bail out Labour councils for the calamitous choices they have made and that they fear putting before the voters in their local areas. This debate is like a dog riding a bicycle: the Labour party is not doing it very well at all, but it is astonishing that it should even try to do so in the first place.

If anyone wants to know about Labour's plans for local government spending, they need only look around them. Council tax doubled under the last Labour Government. Sadiq Khan in London wants a 10% increase because he cannot put a decent transport strategy in place. In Wales it has gone up by one third, showing just how awful Labour is at managing its own devolved services in the Principality.

Let us look at what the Government are actually proposing: an increase of up to 2% for general purposes and of up to 3% for social care, to address increasing demand for both children's and elderly services. Labour has no answer to how to meet that increased demand. The Government protect resident interests with a referendum block on rises above 5%. Labour wants to abolish that—it hates the idea of local people telling it what to do. To avoid any local accountability, it advocates

a nationally set, progressive property tax, with an end to the single person's discount. Where is the local flexibility in that?

Labour's attitude overlooks all the extra covid funding that the Government have given to local councils, including up to £150 million in my constituency, spent prudently and wisely on behalf of local people. I do not like the term "left behind", but one thing is for sure: it is Labour that is leaving behind communities in constituencies such as mine. It is a party bereft of ideas and of interest in anything outside its London-centric metropolitan elite who know nothing of reality in towns like mine.

The adage of council tax is devastatingly simple and is just a few words: "Conservative councils cost you less."

4.58 pm

Mr Gagan Mohindra (South West Hertfordshire) (Con) [V]: I draw the House's attention to my declaration in the Register of Members' Financial Interests. Prior to taking my place in the House, I spent the past 16 years as a councillor in all three tiers of local government. Most recently I was the finance lead of an upper-tier authority, and previously I was the finance lead for a lower-tier authority, and we did not increase council tax over many years.

It is probably worth repeating what councils do. They are very much on the frontline of what our residents see, including waste collection, council tax collection, housing, leisure, social services, education and highways. May I take this opportunity to thank all those excellent council officers up and down the country who have made sure that, despite the pandemic, residents have been at the forefront of receiving support?

On localism and devolution, of which I am a massive fan, politicians at the local level have a responsibility to make tough decisions, and residents have the opportunity at every election to confirm whether they think a politician made the right decision. This Government have given local authorities the option of increasing their council tax by up to 5%, and it is down to local councillors to make that decision.

I look forward to a long-term solution being found for the issue of social care, and I know that this Government are continuing to work on that very difficult decision. It is worth repeating, however, that those councils that have grasped the opportunity to become self-sufficient rather than reliant on handouts have also fared best during this pandemic.

Basic economics dictate the need to either increase income or reduce expenditure. The focus should always remain on value for money. We as politicians are only custodians of other people's—that is, taxpayers'—money. However, as a Conservative, I very much believe in having a safety net, and I am glad that this Conservative Government have given us the £500 million council tax hardship fund to ensure that those who are not able to pay their council tax have the support they need.

The other thing I wanted to bring up is that each council has a duty to collect council tax, and it was interesting to see from my research that the 10 worst offenders up and down the country in terms of council tax collection happen to be Labour. I urge all councillors and council staff to focus on making sure that the policy position they implement means that we do not need to cut or reduce services when it is not necessary to do so. I will leave it at that. Thank you very much, Madam Deputy Speaker.

5.1 pm

Maria Eagle (Garston and Halewood) (Lab) [V]: We have the worst recession of any major economy. The virus is still not under control. Many thousands of my constituents in Liverpool and Knowsley have lost their jobs, have lost income and are facing wage freezes, while those on universal credit are about to lose the £1,000 uplift that has been keeping the wolf from the door. The self-employed are excluded from any help at all, and many are now wondering how they are going to feed their children. Indeed, many people are already relying in increasing numbers on food banks.

Now is not the time for the Government to force councils to hit these people with a 5% council tax hike to balance budgets. That will hit the poorest hardest. Liverpool has had to make cuts of over £420 million in the last nine years, as it has lost 63% of its Government grant. Knowsley has lost over 50% of its grant and has had to make over £100 million in cuts. These are two of the councils worst hit by Lib Dem and Tory cuts since 2010. If Liverpool had faced a cut at the average level over those years, it would still have an extra £123 million to enable it to avoid increasing council tax.

Over three quarters of housing stock in Liverpool is in council tax bands A and B, so it raises less money—only £1.5 million for every 1% increase. The poorest areas are hit hardest. When the Government mandate council tax increases as the main way of increasing the income of councils—they have increasingly done that—it hits poorer people harder and the poorest areas hardest. Those being expected to meet this extra financial burden, such as council tax payers in Liverpool and Knowsley, are the least able to do so.

A quarter of all UK households went into the covid crisis with less than £100 in the bank. Some 3.6 million people nationally are trapped in insecure work, and their finances are not resilient. In Liverpool, council tax support is provided to about a third of all council tax payers, costing £30 million a year, yet one in four of those receiving that help are actually in work. Telling the council that it must hit those people hard again is not a fair way of doing things. Many councils will have to consider making major cuts to services next year—the exact same services everybody will be depending on to help the recovery. The jobs that are lost will be those of the very people who have worked so hard and put their lives at risk to deliver key public services during the ravages of covid.

The Government must provide a solution to local government finance that takes into account the already entrenched disadvantage in constituencies such as mine, and they must seek to address it, rather than just assuming that those with the least can pay the most and attacking Labour councils for spending more. Those councils cannot easily raise more money from council tax, because they have low band properties, and people just cannot afford to pay. That will not work. It is a recipe for further poverty. The Government have to change their view.

5.4 pm

Mrs Natalie Elphicke (Dover) (Con) [V]: In my constituency, I have two local authorities—Dover District Council and Kent County Council. I have been working closely on the ground with both councils during the pandemic. The response by the council officers has been absolutely outstanding, particularly the senior team in Dover, led by Nadeem Aziz, Roger Walton, Tim Ingleton

[Mrs Natalie Elphicke]

and Brinley Hill, together with our dedicated Conservative leaders, Councillor Trevor Bartlett of Dover and Councillor Roger Gough of Kent.

Reliance on local government has never been stronger. That is why it has been so right to ensure that it has the financial and resource support to deliver on the ground. Undoubtedly, there are financial challenges at this time both nationally and locally, but there is no doubt whatsoever that the scale of funding and support to the councils in my area makes a real difference. For Dover and for Kent, the scale of financial support from Government has been immense—getting on for £100 million in covid additional funding alone. The Conservatives' support and funding will keep down council tax bills. My area has a strong tourism and hospitality sector. We have received £48 million in business grants and business rates relief. We are set better for the future, with a £3.2 million award for future high streets funding.

In addition to managing the pandemic, the councils in my area have two big expenditure items to fund and deliver, which cost more for every council tax payer because of the Opposition's failure to support sensible, Conservative policies. These items are social care and illegal migration. Kent County Council has calculated that it has a funding hole in its reserves of over £24 million directly related to the cumulative costs of illegal entry into our country, whether through the small boats route or lorries coming into Dover. This is in addition to local policing and other costs.

If the Opposition want to reduce the tax impact for people in my constituency from illegal migration, I expect them to fully support the Conservative Government's changes to bring in fair migration, tackle illegal migration and enable returns. If they do not, then they simply show that not only do Labour councils cost you more, but the Labour Opposition want to cost you more, too. Only a Conservative Government are committed to both doing the right thing and costing you less.

5.7 pm

Andrew Gwynne (Denton and Reddish) (Lab) [V]: Council tax is flawed and regressive. It disproportionately impacts on the poorest the hardest, and not just on the poorest people in society, but on the poorest areas of England. Not every area has the same council tax base. The two boroughs that I represent are a case in point. Tameside is predominantly made up of band A and B homes. There is nothing the council can do about that: those are the facts on the ground. Stockport is more mixed, with many more properties in higher council tax bands. That means Stockport can raise more money than Tameside can—it is basic maths—but neither can raise enough from council tax alone to meet basic service standards set by Government. They are both grant-dependent councils. They both need Government top-ups to function.

Some councils are fortunate. They can raise enough from council tax and business rates to meet local needs. They do not need a central Government grant. But all past Governments of all political colours have recognised this in-built unfairness and have redistributed grants to councils with low tax bases and high needs to even things out—until recently. This is the sheer unfairness of what this Government are doing. They have cut grant

funding by half across England, but that is an average. In some areas, it is over 60%: 60p in every £1 gone. That is a lot of lost income for Tameside and Stockport. There is smoke and mirrors from Government. Ministers then tell councils they have more flexibility—“You can plug your gap by increasing council tax”—except that it does not work because it brings in nothing like the same amount as the funding cut by Ministers and there is still a gap. So the poorest areas with the highest needs in social care and children's services still have to cut services.

Then came covid-19. I was the Secretary of State's shadow this time last year and I was grateful to him for briefing me about local government stepping up to the covid challenge—and, boy, didn't they do just that? I pay tribute to those councillors, officers and staff for all they did and are continuing to do. But I do not think that I am breaking any confidences, because it has been said in public, too: Ministers guaranteed to me that they would reimburse in full those already cash-strapped councils to do what it takes. That has not happened.

Here we are in the grip of covid still and councils are being told, “If you want to plug your gap, you need to increase your council tax.” Except it does not plug the gap. It does not come close. Residents lose out twice: they pay more, they get less. And the blame is devolved to councillors, not Ministers. That is why I support this motion tonight.

5.10 pm

Dr Jamie Wallis (Bridgend) (Con) [V]: This Opposition debate is a purely political stunt and Opposition Members should look a little closer to home, where their party is in government in Wales. Welsh Labour has presided over more than two decades of council tax rises, with further rises planned this year. What is more, on average, council tax has risen 30% faster in Labour-run Wales than in England. Those types of increases have caused council tax to treble in Wales, from around £495 in 1998 to £1,667 in the financial year ending 2021.

Residents in my constituency within Bridgend County Borough Council, under a Labour-controlled council and a Labour-controlled devolved Administration, have seen increase after increase. Last year it was 4.5% and they are likely to see yet another increase of 3.9% this year. That equates to an average Bridgend home paying about £320 a year more than they did just five years ago. The approach to council tax is one where the people of Bridgend are treated as cash cows while services are being cut. It is hitting working families hard during what has been a very difficult year for them.

The UK Government have supported councils during the covid-19 pandemic, with a package worth more than £30 billion helping councils in England to keep their council tax lower than that in Wales. The Welsh Labour Government should match the ambition of the UK Government, support their councils to keep bills low, give families more space, and not be afraid to allow residents to veto high rises, as has been allowed in England since 2011 thanks to the Localism Act 2011.

The people of Bridgend deserve better than the inevitable year after year of Labour rises in their council tax, so I will not be walking through the Lobby to support this motion tonight. Moreover, I urge right hon. and hon. Members on the Labour Benches to press their colleagues in Wales to end this ever-increasing council tax rise, which is burdening my constituents in Bridgend.

5.13 pm

Mike Hill (Hartlepool) (Lab) [V]: I would like to personally pay tribute to the hard-working staff of Hartlepool Borough Council.

Over the last decade, austerity has led to public sector cuts to local authorities, which have caused major job losses and cuts to vital services. Hartlepool has seen this on a grand scale. Because of our high levels of deprivation, growing costs and dwindling funding from Whitehall, our council tax is proportionately some of the highest anywhere in the country. As one of the most deprived local authorities in the country, departments such as children's and adults' services were stretched in capacity prior to the pandemic, despite the best efforts of council staff. Poverty levels, especially child poverty levels, have risen dramatically over the last decade. Local government costs for children's services have increased in line with those demands, even before the cost of the pandemic has to be taken into account. My constituents are already paying through the nose for a bare minimum of services, which the council can just about afford. Three successive Tory Governments have caused this situation, even without consideration of the effects of the pandemic on local government finances. The Chancellor promised no new tax hikes this year, so instead he is trying to introduce them by stealth through local councils. People will see right through that. Even the local Conservatives in Hartlepool recognise that the plan would be a disaster for the people of Hartlepool and that no member of the public will respect any politician who tries to force the cost of this pandemic on to them. Locally, this council tax rise is likely to be hidden in the adult services precept to avoid embarrassment for the Tory and Brexit leadership. Hartlepool Borough Council is just about managing to deal with the current cost of the pandemic; however, that will not be so if this drags on much longer.

I am too aware that increases in council tax will hit those in the most precarious financial situations: young families; low-income families; young workers; low-income workers, and self-employed people whose businesses have been failed by the Government. The pandemic has highlighted the role and importance in our society of key workers, who are essential to its functioning; public sector and local council workers were high on the list of those key workers we clapped for week in, week out.

The Government can seemingly always find millions to throw at consultancy fees, yet with spiralling costs, millions in debt, thousands grieving the loss of loved ones and policy failure after policy failure on covid-19, local government needs proper funding. This year of all years, it is ill-timed, ill-judged and simply wrong to neglect it.

5.16 pm

Robert Largan (High Peak) (Con) [V]: The national effort against coronavirus has relied heavily on the hard work of council employees, and I thank all the dedicated staff delivering local services in High Peak. There is no doubt that councils have been under incredible pressure throughout the pandemic, and I am pleased that the Government have done as much as possible to back them up, ensuring that vital services can continue to help the most vulnerable. Over £10 billion has already been provided.

I am grateful to the Opposition for the opportunity to debate council tax, although I am slightly surprised that they chose this topic, given the shambolic record of so many Labour councils across the country. It is important to point out that, despite the cleverly worded motion in front of the House today, no council is being forced by the Government to increase council tax. I can only assume that the Opposition are against giving voters local control of how their council raises revenue and balances local budgets. Nevertheless, this is a good opportunity to debate how we can fundamentally reshape the tax system after covid to the benefit of the whole country.

I encourage Members to read the report "Levelling up the tax system" recently published by the levelling-up taskforce and the think-tank Onward. So much of the debate around levelling up is focused on Government spending, and understandably so—places such as High Peak are crying out for more investment in our infrastructure—but that is only half of the levelling-up equation. We also have to think seriously about how we raise money for services and the impact that that has on different parts of the country. Nowhere is that more obvious than with the council tax.

Average council tax per head in London is the lowest in England, at £481 per person. That is a fifth lower than in more deprived regions, such as the east of England and the south-west, and as a share of post-tax income, Londoners pay half of what households in Yorkshire and the north-east typically pay. That difference is getting even starker. London has seen its share of total council tax revenue decline steadily despite average house prices more than doubling in the capital, yet councils in London typically get a much higher central Government grant, despite the fact that they are able to benefit from much greater revenue-raising opportunities such as parking and that services are typically cheaper to deliver given the population density. While it is true that London generates £1 in every £5 of tax receipts, we must remember that London generates less tax than any other region as a share of GDP.

London is a great city, and I am certainly not here to pull it down; I just want to see places such as High Peak levelled up. I strongly urge the Government to think carefully about how we can make the tax system, including council tax, fairer. There is a real opportunity to be bold and deliver lasting reform. A good place to start would be requiring a regional impact assessment of different tax measures as standard practice as part of the Budget process.

While the end of the pandemic is finally in sight, there is still a long way to go. Getting the vaccine rolled out and helping the most vulnerable during lockdown requires action from every level of government, including our councils. Instead of tying their hands, like this motion sets out to do, let us figure out new ways of making the tax system fairer for everyone.

5.19 pm

Jeff Smith (Manchester, Withington) (Lab) [V]: The Secretary of State's speech was really one of the most disingenuous that I have heard for a long time. He knows full well that Labour councils do not want to raise council tax; they have been forced to raise council tax because, for the 10 years before the pandemic hit,

[Jeff Smith]

Tory-led Governments cut funding disproportionately hard for deprived areas and Labour councils. For almost a decade, the toughest decisions and the most painful Government cuts have been handed down—effectively outsourced—to local authorities, which have to pass them on to communities such as mine in Manchester, Withington.

I was a councillor having to try to make some of those awful decisions. The cuts forced on us by the Government since 2011 would have been impossible to mitigate by cost savings alone. Councils had to increase their income. In Manchester, the council sold part of its share in the airport to guarantee an annual dividend in order to help make up the income shortfalls. That was innovative and successful, with the council doing the right thing to protect services for its residents. But this Government lockdown has had an impact. The flights stopped and the airport dividend was hit—£71 million-worth of impact. Manchester, like many others, has been doubly hit: by the spending pressures necessary to combat covid; and by the revenue that has been lost as a direct consequence of Government restrictions.

In the midst of the greatest crisis that we have had in generations, a massive share of the burden continues to fall on councils. The financial impact of the pandemic in Manchester, like the impact in town and cities across the country, has been catastrophic: £152 million this year. With only £108 million of Government funding available, we have a shortfall of £44 million. Even with the maximum permitted council tax rise—a rise that no one wants to introduce—Manchester faces £50 million-worth of cuts. Last March, the Government promised to give councils what they need to deal with the pandemic. They must come through on that promise, take into account loss of revenue and fund councils properly so that this council tax is not forced on local people.

In addition, councils need from central Government the ability to carry out financial planning for the long term. The biggest chunk of local authority spending is on social care for adults and young people. We all know that the cost of social care will rise as the population continues to age, yet the Government's long-promised plan to tackle the social care crisis has failed to materialise. Councils need an improved settlement for social care, and they need it to be built into funding settlements, not just as annual grants, because, although the Better Care grant is important, councils need to know that the funding will be there for years to come. On such a fundamental issue, they need to be able to plan for the long term.

Our councils do a great job in difficult circumstances. I join my hon. Friend the Member for Wythenshawe and Sale East (Mike Kane) in congratulating Manchester City Council on its response to the flood alerts in south Manchester last week. It needs proper funding to do that great job. It is past time that the Government stopped treating local authorities as a vehicle for outsourcing cuts and blame, and funded them to be the crucial parts of our civic life that they really are.

5.22 pm

Matt Vickers (Stockton South) (Con) [V]: Many councils have done a great job adapting to the ever-changing situation and supporting local residents. It is right,

therefore, that the Government have given local authorities an unrivalled and unprecedented £10 billion package of support. In Stockton, this has meant an extra £110 million in funding—much of it unring-fenced, allowing councils to spend on local priorities. Money has also been given to councils to meet the cost of lost revenues, to support enforcement and infection control, to support and help the vulnerable, to cover business rates relief and to provide a huge package of support to local businesses—yes, huge challenges and costs for local councils, met with a huge package of support from the Government, so much so that my local council is still deliberating over how to spend some of it.

At this time, one would hope that many councils would look at how to shield residents from any unnecessary increases in council tax, but Stockton Council is a Labour-led council, which means that it will continue to tax like there is no tomorrow and spend like no one is watching. It is a fact: people are better off with the Conservatives. The average resident living under a Conservative council pays significantly less in council tax, while enjoying great local services. Under the last Labour Government, council tax bills across the country doubled. In Wales, where Labour is still in power, they have trebled.

In Stockton over the last five years, council tax has gone up by more than 20%, and that hurts those on fixed and limited incomes most. Not only are residents asked to pay more; the council is getting its priorities wrong, slashing spending on youth services while we have seen increased spending on press and communications, more on events and more on fireworks. When the private sector looked to reopen Stockton's Globe theatre, it was warmly welcomed. It is a great opportunity to breathe life into our town centre. The original plan, under the private sector, was for it to open in 2012 at a cost of £4 million, but unfortunately the council got control of the project and it has now cost more than £26 million and counting, and it still has not opened.

It is said that if we look after the pennies, the pounds will look after themselves; my local Labour council looks after neither. Public money is there to benefit local people, including the most vulnerable, and therefore every penny counts. We have seen my council spend £1,900 on a rusty metal door, £62,000 on a pair of bollards, around £10,000 a year on VIP soirées where councillors can eat and drink for free. An allowance scheme has seen the chair and vice-chair of committees receive as much as £1,500 per meeting between them even if they do not bother to turn up, and we have seen council officers fly out at taxpayers' expense to watch street theatre performed in Montpellier, Copenhagen and Amsterdam.

Councils have a moral responsibility to those on limited and fixed incomes to justify every penny they spend. It is right that locally elected councillors can make decisions about local taxation and spending, but with such rights come responsibilities.

5.25 pm

Tim Farron (Westmorland and Lonsdale) (LD): To govern is to choose, and the Government have chosen to make local authorities choose between cutting services at this time of all times and imposing a 5% council tax rise.

I have always opposed the council tax since the Conservatives introduced it in a rush in the early '90s in the poll tax debacle. It was always a wrong form of taxation; it takes more from those who have the least, and it takes less from those who have the most. It is a regressive form of tax, and for the Government to force local authorities—red, yellow and blue—to increase that burden on the families who struggle the most during a pandemic is utterly inexcusable.

It is a choice that the Government have made to increase council tax by 5% and to hit the worst those families who struggle the most, but there are other choices that this Government have made at the same time. The stamp duty holiday has given a boost of tens of thousands of pounds to people who want to buy second homes. Therefore, people who are struggling by on the minimum wage, paying a much higher proportion of their salary in council tax now than those who are wealthier, get a hit, yet those who can afford not just one home but two or more get a benefit worth tens of thousands of pounds from this Government, who have chosen to give it to them.

I suggest to the Minister that there is something better he could do with council tax. In communities such as mine in the lakes and dales, where as many as 85% of the properties are second homes—boltholes for folks who are well-off enough mainly to live somewhere else—the impact is colossal. Every single one of those homes is sending no child to the local school and providing no demand for the post office or the bus service, and so those services and facilities end up closing, as they have done in many communities in my part of the world. Yet there are things the Government could do to ameliorate that. Instead of imposing a huge council tax burden on those who are struggling to pay now, why not increase council tax on those who are well-off enough to have more than one home and recycle that money back into local communities?

Furthermore, why do the Government not deal with their own consultation that closed nearly three years ago on whether to close the loophole that allows second-home owners to pretend that they are a business? They claim business rate relief, and get business rates taken off altogether—so pay no council tax and no business rates. If this Government cared about levelling up, they would not be levelling down Lake district communities by benefiting those wealthy enough to have more than one home while hitting those who are on low incomes to start with.

The Government have chosen to impose this council tax rise, and council tax always hits the less well-off more than those who are better off. This is the opportunity that the Government have to change their mind, to benefit not just the lakes and dales but the whole of the country as it struggles through this terrible crisis.

5.28 pm

Ms Lyn Brown (West Ham) (Lab) [V]: Newham is one of the worst hit boroughs in the country. We have the second highest level of child poverty and the highest level of homelessness. We have had the highest furlough numbers, and our covid infection rates have regularly been among the highest in the country, especially during recent weeks. There are no signs that our difficulties are going away any time soon. In fact, I am afraid that

many in Newham might not be able to get a vaccine for many months, despite significant vulnerability due to health conditions and ethnicity. The fact that we have a young population means that restrictions may well be placed on our local economy for longer, destroying the hopes that many had just a few weeks ago.

My constituents need to know that the decent public services and support on which they rely are going to continue. For that, at bare minimum, the Government will need to compensate our council fully for lost revenue and the added costs of covid. Sadly, the signs are not good. Currently, Newham Council estimates that it will lose £16 million of income this year due to the virus and will only be compensated for £8 million of that—barely half. Frankly, that has a real cost to people's lives.

In Newham, a large number of small businesses, self-employed people and employees have been excluded from Government support. When support is not there—when it is not universal—discretionary council funds are all the more important, but with our very high levels of infection, almost all of Newham's funding for self-isolation payments has been allocated. To beat the virus and support our overwhelmed NHS, we need more funding for discretionary payments, and we need it now.

We need a financial settlement that provides for necessary spending without raising taxes on our residents at this worst possible time. An increase in council tax can be ill afforded by my constituents, but the Government are providing no other option. The Chancellor said, "whatever it takes." Well, let me tell him what it takes: it takes Government to properly fund councils, at the very least for covid costs. It takes the Government financially looking after everyone in need, including the excluded. We must not make the poorest pay for this crisis.

5.31 pm

Simon Baynes (Clwyd South) (Con) [V]: As a Welsh MP and former councillor, I would have greater respect for the Labour party if it practised in Wales what it is preaching here this afternoon, but I can assure the House that it is not. Not only has Wales seen some of the highest increases in council tax in the UK since 2010, but the latest proposed local government funding settlement by the Welsh Labour Government in Cardiff has discriminated against a significant number of councils by giving low increases in funding support.

That has been particularly the case in north and mid-Wales, where the average increase in Welsh Government funding support is below the national average, whereas in predominantly Labour-run south Wales, it is above the average, thereby reinforcing the unfairness of the north-south divide. For example, in my constituency of Clwyd South in north Wales, Wrexham County Borough Council has a provisional Welsh Government grant increase of only 2.3%, which is the second lowest in Wales and compares with an average increase in funding support of 4.1% in south Wales. It means that, with the heavy burdens of covid, flooding, snow, increased social care and many other factors, Wrexham County Borough Council will be forced to increase council tax by 6.95%, despite being a well-run council.

It is within the Welsh Government's power to review this funding settlement, given that it is subject to consultation until 9 February, and I hope that they will do so. But Opposition Members should admit that the

[Simon Baynes]

Welsh Labour Government are acting in a manner contrary to the terms of the motion before the House. Furthermore, the Welsh Government have the financial means to do this, as they have still not spent about £1 billion of the £5.3 billion that they have received from the UK Government in additional funding due to the coronavirus pandemic.

The approach of the Welsh Government is in stark contrast to that of the UK Government, who have stepped in and confirmed more than £10 billion of direct additional support for councils during the pandemic, plus billions more to ease financial pressures, with councils also receiving a significant boost to their budgets in April in the most generous funding settlement for a decade. In conclusion, I hope that the Labour Government in Cardiff will look to the example set by the UK Government and provide the financial support that is badly needed in these exceptionally difficult times for councils with low average funding settlements in Wales.

5.34 pm

Tracy Brabin (Batley and Spennings) (Lab/Co-op) [V]: I wish to speak in favour of the motion.

These have been testing times for local authorities in West Yorkshire. Just today, the "Cities Outlook 2021" report has revealed that the economic impact of covid has meant that levelling up will now be four times harder than pre-covid. As Gordon Brown said today, the virus has a political dynamic: it cruelly exposes our weaknesses, with higher deaths among the lowest paid and an unfair economic impact on women and black, Asian and minority ethnic communities. This hit to our community wellbeing is, of course, on top of all the other too-familiar tales of council budget cuts and job losses.

The Government's encouragement, saying that they would do whatever it takes, has now turned into a £2.6 billion funding gap. The LGA tells us that cuts have totalled £15 billion for councils in England. That is devastating, given the fact that between 2011 and 2018 the number of looked-after children grew by 11%. The number of people over 65 in need is up by 14% and the number of those unintentionally homeless is up by 35%. These are real people, their lives brutally changed beyond recognition through no fault of their own.

West Yorkshire councils have stepped up and made sure that food and medicine gets to those who are shielding; kept essential services, such as refuse collection and housing maintenance going; provided laptops to disadvantaged students; and worked flat out to get financial support to as many businesses as possible. They decided not to wait for the Government to fund free school meals and took in-house the feeding of hungry children across West Yorkshire. More importantly, they have used local knowledge to transform the failed and chaotic test and trace project into one that actually delivers results.

All that has been done against a background of income cuts. For example, for Leeds City Council, underlying funding from business rates is down 5%. Council tax payments are down, with people ineligible to pay as they are out of work, forcing the council to fill a £25 million black hole from reserves to avoid bankruptcy. Of course, the Government will say that that is why it is important to give councils the chance to raise council

tax to pay for extra costs, but hard-working, low-paid families should not be picking up the bill for austerity and the pandemic. There are higher food costs, higher energy bills and the extra costs of home-schooling, which is why we absolutely must retain the £20 uplift to universal credit and why we cannot add yet another extra financial burden on to family expenses, especially when millions have already been excluded from meaningful support.

In this landscape, do the Government really want to increase household bills by £93? Not only is that a poor reward for those who have sacrificed so much, but it is economically illiterate. Shops and businesses need people to go out and buy goods and services, not tighten their belts. I know the Minister will list the financial packages available, but I urge him to do the right thing.

5.37 pm

Claire Coutinho (East Surrey) (Con) [V]: I should thank the Opposition for giving us this chance to talk about the Conservative record on tax and all the support—including an extra £10 billion for councils—that we have put in place during the pandemic. The level of support across the board has been unprecedented in peacetime.

I have a local example of Conservatives' record on tax versus that of the Labour party. In Conservative Surrey, it was decided that council tax would go up by between 2% and 3% this year, whereas across the border in Labour-run London, the Mayor is looking at a 10% increase. In Labour-run Croydon, which also borders Surrey, the council has mismanaged its finances so badly that it has had, in effect, to declare bankruptcy.

I pay tribute to all my local councillors and council officers in Surrey, who have worked during this time not only to provide a brilliant service to residents but to take a careful look at our public finances and make sure that they are providing value for money for residents. The House will have heard today example after example of Conservatives being better with public taxpayer money. Frankly, no one believes that their taxes would have been lower under a Labour Government. Every single MP on the Opposition Benches stood on a manifesto that committed to hiking taxes in this country by £80 billion, taking them to the highest level ever in peacetime history. The Institute for Fiscal Studies said that Labour's spending plans were not only "colossal" but "simply not credible".

I want to spend the rest of my time talking about the council tax hardship fund. I am incredibly disappointed that the shadow Secretary of State and every single Labour MP have failed to mention it. This is a fund for which we put aside £500 million last year and £670 million this year, and it is there to help struggling families. Although I fear the Labour party is more interested in playing party politics, it is our duty as MPs to signpost families to the support that is there, instead of playing on their fears.

I notice that on the Labour leader's Twitter feed today, there is a council tax calculator, which I tried out to see whether it would signpost people towards this support. It did not: it did ask for a variety of contact details that the Labour party could use for further electoral purposes, but it did not offer any real guidance. I urge every Labour MP who is going to be asked by Labour headquarters to pump out these scaremongering

graphics later today to actually do their job, and signpost people to the support that this Conservative Government have put in place.

5.40 pm

Lilian Greenwood (Nottingham South) (Lab) [V]: Today's debate is about fairness, and the 5% hike in council tax is not fair: it is not fair on my constituents, and it is not fair on my city. As many of my right hon. and hon. Friends have already said, we are in the midst of an economic crisis. The Government bear some responsibility for the fact that our country faces the worst recession as a result of the pandemic and their failure to properly control the health crisis. This is the worst possible time to be raising taxes, yet this Government are forcing local councils to do just that, even though they know that it will hit families who are already struggling to make ends meet. Of course, those impacts will not fall evenly: they will fall hardest on the places with the highest levels of deprivation and the least ability to make up the shortfall in central Government funding.

Over the past decade, Nottingham City Council has seen its central Government grant cut by hundreds of millions of pounds. It has tried to protect services, the very services that my constituents rely on, but this year, the situation that it and other councils face is more serious than ever. Instead of doing as they promised and standing by councils that did "whatever is necessary" in response to coronavirus, the Government have left them with unreimbursed costs—£28.4 million, in the case of Nottingham City Council. It is not good enough; the Government need to do as they promised, and make up that shortfall.

Almost 40% of Nottingham City Council's entire budget is spent on adult social care, and that percentage is rising as we face supporting more older and vulnerable residents. Central Government have repeatedly promised to meet the challenge of funding social care, but year after year, they fail to do so. Local councils have no choice but to apply the social care precept, even though in deprived cities such as mine, where demand for services is greatest, it generates far less than in areas with lower levels of demand, where councils can raise more through council tax. The Government's approach is fundamentally unfair. It seeks to hide the truth of their decision, passing the blame on to local authorities even though they know that council tax is regressive. It is levelling down, instead of levelling up.

5.43 pm

Elliot Colburn (Carshalton and Wallington) (Con) [V]: I know I am not the only Member of this House to be slightly bemused by Labour's apparent sudden concern over tax rises, given its own record. We have already heard about how Labour's tax plans would hit the pockets of working families with its so-called progressive property tax, which would cost the average household an additional £374 a year, as well as its plans to abolish single person discounts and referendums on high tax rises. But this is not just about future policies; we can also see it from Labour's own record, especially in London, where my neighbouring borough of Croydon has been led into bankruptcy and my Carshalton and Wallington residents have been punished by a 20.3% rise in the Mayor of London's share of the council tax since 2016, despite his manifesto promise to keep his share of council

tax as low as possible. Now the Mayor wants to raise his share of council tax in London by a further 10%, punishing Londoners for his poor financial management at City Hall.

It is not just Labour that would hit working families with tax rises. We have already heard that Conservative councils charge, on average, £84 a year less in council tax, but the Lib Dems charge more than £132 a year more than Conservative councils. Such an example can be found in my own council, the London Borough of Sutton, where the Lib Dems have joined with the Mayor's council tax rise for local residents, having raised council tax in the borough by nearly 14% since 2017-18, according to London Councils. The London Borough of Sutton is one of only 23 councils across all the 393 local authorities that is classified as having very high rates of council tax, according to the website Property Data.

The reason often spouted by Labour and Lib Dem councils for their increases is that they do not get enough support, but these tax rises were happening long before the pandemic, and it is clear that this Government have given an unprecedented level of support to local authorities during the pandemic. Over £95 million has been given to Sutton in 2020-21, and so supportive has this finance been that the borough's finance director said at a council meeting last week that the council was in as good a financial position as it was before the pandemic, thanks to a good level of support from central Government. I suspect that the Lib Dems will never forgive him for saying something so positive.

Residents do not have to settle for councils that waste money and impose higher taxes. We have heard that Conservative-run councils and Conservative Mayors offer better services while charging less council tax. Recovering from the covid pandemic is going to be hard, so more than ever we need Conservative councils and Mayors who are up for the challenge and who are innovative and careful with taxpayers' money, rather than the high tax and wasteful spending mantra of the Opposition.

5.46 pm

Barbara Keeley (Worsley and Eccles South) (Lab) [V]: Throughout this crisis, local councils have been on the frontline of fighting covid-19 and I would like to pay tribute to every member of local authority staff across the country for the work they have done over the last year, particularly the staff of Salford City Council. Whether it is through providing support to vulnerable people who need it or ensuring that the bins are emptied, councils are playing a vital role in keeping people safe and well during the pandemic. Despite seeing its budget cut by £211 million over the past decade, Salford City Council has stepped up during the crisis to provide grant support to businesses, put in place extensive infection control measures in care homes to protect residents, and developed contact tracing that is much more effective than the Government's scheme.

Local councils have more than lived up to their end of the deal; central Government have not. There is still no social care funding settlement, despite the additional costs to social care providers this year. Local authorities do not have the certainty of the resources they need to properly support older and disabled people through the crisis. The Secretary of State said at the start of the first lockdown that the Government stood ready to do whatever was necessary to support councils in their response to

[Barbara Keeley]

coronavirus, but now the Government are asking councils to pass the costs of support for communities during the pandemic directly back to local residents. In the same month that furlough will end for over 16,000 residents in Salford, unless it is extended, the Government want councils to pass a £100 increase on to struggling families.

Council tax is a regressive way to raise funding. The areas that are most able to raise money through this measure are also those that are less deprived. In Surrey, a 5% council tax increase raises £38 million, whereas in Salford that raises only £6 million. Therefore, the measure will raise six times more in Surrey than it will in Salford. The Government should not be allowing vital public services to be subject to this kind of postcode lottery. This is a national crisis and we need national solutions to the problems we are facing.

Greater Manchester has been under more stringent restrictions than other areas since last July, with six months of tight and then tighter restrictions that hit people's livelihoods and weakened businesses, causing many to fail, and caused mental health stresses affecting the wellbeing of families. Rather than trying to avoid responsibility and shift the burden on to the residents in areas that have been hardest hit by covid, the Government must live up to the commitment they made last spring and do whatever is necessary to support councils during the pandemic. This is no time to impose a 5% council tax rise on families. I join the call on the Government to scrap this inflation-busting tax increase and support councils with the funding they need.

5.49 pm

Gary Sambrook (Birmingham, Northfield) (Con): Unfortunately, in Birmingham, we see examples every day of why Labour councillors in the city will choose to put up council tax yet again this year. It seems like we see examples of waste and incompetence every single day. Let us take the Perry Barr bus depot as an example. Because of the Commonwealth games, it should be moved to make way for the athletes' village—which, by the way, will no longer be the athletes' village—with the cost to move it 300 metres down the road initially being put at £2 million. It will now cost £16 million. That is incompetence. The leader of the council assured the city council that hosting the Commonwealth games would not impact on its revenue budget. Now, years down the line, we see that it will impact on the revenue budget to the tune of £2 million every single year for the next 40 years, affecting the council's ability to plough the money into services, which people want to see in their local communities.

We see an example in the form of business grants. The Government have provided millions of pounds-worth of assistance to companies struggling during the pandemic, but is being sat on because of incompetence in getting it out to local businesses on the frontline, which has led to the delays that we have seen in that assistance.

We see an example in the Bristol Road South bus lane, which nobody wanted. The council has tried for years to install it, but it did not have the guts to do a proper consultation and has now imposed it on local people, wasting thousands of pounds. A couple of years ago, the bin dispute put Birmingham City Council on the

front of all local and national papers. That cost millions of pounds to fix, and, unfortunately, we are still paying for it.

We see the home to school transport service, which looks after some of our most vulnerable citizens. We see severely disabled children being dropped off at the wrong school and parents being kept in the dark over what time their children will be picked up. That is incompetence. What is the solution to all that we see? It is yet another tinkering around the system, another restructure, another review, and another report to be put on a shelf.

Last week, we saw proposals to spend half a million pounds on new directors in the city council. This restructure will cost £3.6 million—this after the council spent no less than £2 million on non-disclosure agreements, or gagging clauses, for city council officers who have left. It is funny, Madam Deputy Speaker, how it is never Labour councillors running the council who get restructured out of the council; it is always the council officers who have to bear the brunt. So, unfortunately, all the noise from the Opposition Benches today rings hollow. When people's council tax bills land on their doormat later this year, they will know that they have gone up because of incompetence, bad financial management and waste.

5.52 pm

Abena Oppong-Asare (Erith and Thamesmead) (Lab) [V]: My constituency is covered by two local authorities: Labour-run Greenwich and Conservative-run Bexley, which I served on as an Opposition councillor. I saw at first hand how the heart and soul of local government was being ripped out by successive Chancellors: green land sold off for unaffordable housing; libraries shut; and support for elderly and disabled residents stripped to the bone. This is happening up and down our country. It is a deliberate, calculated and deeply philosophical rolling back of the state. This attitude is why, in the middle of a pandemic, when councils have been on the frontline in the fight against coronavirus, we have a shameful policy of enforcing a council tax rise on hard-pressed residents while services face further cuts.

Many of my constituents will face a rise of nearly £100 a year, while seeing a Tory-run Bexley sell off land so that it can make hundreds of staff redundant. They will be paying more while their children's centres are closed, their libraries are closed and their fees and charges skyrocket. They are paying more in Greenwich, too. Over the past 10 years, they have seen the Government reduce funding by £1,500 for every household. Let me repeat that: £1,500 for every household. Next year, Greenwich must cut £20 million and potentially the same amount for 2022 and 2023. That is a long, long way away from the very public promises that the Government were making a year ago at the start of the pandemic. Last Wednesday, I asked the Prime Minister why, when the Secretary of State had promised councils "whatever it takes", that promise has been broken and why my constituents have to pay for his broken promises? He could not answer me then, so perhaps the Minister will do so when he closes the debate.

It should not be lost on the House that much of the council tax rise relates to social care. We are here today because the Government refuse to take responsibility and properly and sustainably fund care for some of the most vulnerable residents in our communities. There is

nobody in the House who does not know the solution to this problem. We need to end the postcode lottery that means that a resident of mine living in Bexley will receive a different level of care to a resident of mine living in Greenwich.

The Government must listen to the voices of hard-pressed families around the country at a time when we desperately need to grow our economy, and when many people are facing pay freezes. An enforced council tax rise will be a disaster.

5.55 pm

Peter Gibson (Darlington) (Con) [V]: Today's debate is a great opportunity to shine a spotlight on how well Conservative councils are doing in comparison with those controlled by the Labour party. I begin by thanking every member of the team at Darlington Borough Council, including councillors, officers, administrative support and street cleaners. Every one of them has worked hard for the community that I am privileged to represent.

In May 2019, a mere 20 months ago, 28 years of hard Labour in Darlington was brought to an end and the Conservative team, led by Heather Scott, are now delivering for the people in my constituency. Over those 28 years, the Labour-led council raised council taxes year after year while reducing services, choosing to close or put in jeopardy key facilities, and, as has been recently highlighted, failing to recover rents, fees and charges.

The Conservative-led team at Darlington have saved our fantastic 19th century library; commenced restoration of our amazing market hall; restored our market to the market square; reduced car-parking charges, which had previously been the highest in the Tees valley; tackled the scourge of fly-tipping with increased prosecutions; successfully won a bid of £23.3 million from the towns fund; made real progress on resolving our local plan; and saved Springfield park from the road that Labour wanted to bulldoze through it. On top of all that, over the last year, they have overseen the quick and efficient distribution of more than £30 million of support grants to our businesses. This Government have provided billions of extra support to local government to meet the challenges of covid. Darlington, like many local authorities, has received fantastic support, and it gives me a great sense of pride to acknowledge the millions of pounds in extra support for Darlington.

This debate is another attempt by Labour to create headlines and weave a fiction that it is only Labour that cares. The work I have seen by Conservative-led Darlington Borough Council has clearly demonstrated to me that the team there care deeply about the community they serve. They care about the quality of the service that they provide. They care about the money that they have a duty to collect, and they care about the cost to my hard-working constituents.

While Labour plays divisive party politics, this Government are getting on with supporting local authorities, providing £51.2 billion for councils across England—an increase of £2.2 billion on last year—and I thank the Government for making the millions available to Darlington Borough Council. When push comes to shove, this Government have shown themselves to be compassionate in the face of our communities, supportive of our colleagues in local government and robust in challenging the waste and inefficiency of Labour in local government.

5.59 pm

Chris Clarkson (Heywood and Middleton) (Con): Like a lot of people here, I found my route to Westminster via the town hall. I was quite surprised to listen to the oration by the hon. Member for Worsley and Eccles South (Barbara Keeley), because I was a councillor in her constituency for eight years. I sat through eight Salford City Council budgets, listened to the same speech year after year from the leader and then the elected Mayor as they decried the Government, and then I took out a copy of the previous year's Salford Conservative Policy Forum alternative budget, which I penned myself, and ticked off each of the supposedly cruel and unconscionable measures that they rejected previously, having enacted them a year too late to do any good.

Financial mismanagement is the hallmark of Labour authorities. Pointless and often ruinous vanity projects are dressed up with Blair-era names like Invest to Save, and millions of pounds of taxpayers' hard-earned money is shovelled in to prop them up as it transpires that local authorities probably should not be running, for example, a rugby stadium in Salford or an energy supplier in Nottingham.

In my experience, Labour authorities, far from being forced to increase council tax, have been some of the most enthusiastic proponents of increases, and Greater Manchester is a prime example. In Heywood and Middleton, my constituents will be faced with a council tax rise of almost 5%. The council is hiking rates by 3.99%. Andy Burnham will be adding the maximum £10 allowed for the police precept, and another £14 on top for his general precept. That will put a minimum burden of £58 per household on my constituency. Andy is right that it is the minimum, because he actually wanted more. Members will be aware that Andy got himself into a spot of bother recently as Greater Manchester police were taken into special measures because 80,000 crimes were not recorded. Despite being the police and crime commissioner for Greater Manchester and being warned by councillors, officers and MPs, Andy was apparently oblivious to this, but he has magnanimously promised to fix it—although it will cost you.

For Labour Members to come here and complain about council tax rises when their colleagues at local level have tripled the average council tax over the past 20 years so that the average council tax in a Labour authority is £84 higher than the equivalent in a Conservative authority is a heady mix of hubris, chutzpah and old-fashioned brass neck. Once again they come here with a false narrative, intending to stoke up an army of social media trolls, encouraging them to share misleading and sometimes entirely wrong posts and graphics, and to abuse and threaten, while they feign their dismay at these tactics in this Chamber. Instead of riling people up and deliberately frightening the most vulnerable, a serious Opposition would have come here with an alternative and wanting to debate with the Government about the best way to do things—but sadly, not today.

6.2 pm

Emma Hardy (Kingston upon Hull West and Hessle) (Lab) [V]: I have spoken many times about covid and the impact on Hull West and Hessle, which, as highlighted by Amy Norman from the Social Market Foundation, will be hit harder because of the lasting hardships of the past decade. In a nutshell, the long-term impact of

[Emma Hardy]

austerity will slow our recovery. To be blunt, the last thing that residents in Hull West and Hessle need is an £88 increase in their council tax bill and a £20 cut in universal credit. Hull City Council has faced a decade of cuts under each Conservative Government, and these cuts have hurt services. It was in a more stable situation until the covid pandemic, when its costs escalated again. Hull does not have the ability to raise all the additional funding that it needs from local residents, but it is simply unfair and too heavy a burden for local people to bear.

We must never let this Conservative Government place all the blame for the state of the economy on the pandemic. A decade of irresponsible choices from the Conservatives has left our economy on shaky ground even before covid hit. A quarter of households in the UK went into this pandemic with less than £100 in the bank, 3.6 million people are trapped in insecure work, and the UK is one of the most unequal countries in Europe. The Government must stick to their promise to do whatever is necessary to support councils' funding. Instead of a Conservative Government penny-pinching from struggling families while at the same time wasting taxpayers' money on failed PPE and questionable Government contracts with those with links to the party, we need a concrete plan for post-pandemic recovery, with a focus on green energy jobs and building on the ideas and talents that we have right here. Earlier today, I heard the news that Debenhams is closing its stores. That will hit Hull's retail sector hard. I hope that when the Minister responds, he can give an answer on what he is going to do about our high streets.

In the longer term, there are two big projects that Government could get behind to help to generate jobs and speed our recovery from covid. Investing in the Hull lagoon project would create about 14,000 jobs. Our growth in the city is challenged by flood risk, and restricted by transport connectivity and a shortage of key development land. This home-grown solution has been driven by local businesspeople and has my full support. It will be bold and transformative, and I urge the Government to take it seriously. The Government could also approve the bid of Zero Carbon Humber, which would not only help to protect the environment, but create 50,000 jobs.

Together, such projects could fulfil Hull and East Riding's potential to be the green capital of the UK. Here, in Hull West and Hessle, there is talent, ambition and drive, but that could be snuffed out if the Government continue to pursue economic policies that harm the poorest hard-working families. I urge them to think past just the needs of what they are going to do next week and instead think about how they can use the power of Government to follow Labour's plan to invest long-term in green energy jobs.

6.5 pm

Catherine West (Hornsey and Wood Green) (Lab) [V]: I put on the record my thanks for Connected Communities, a best-practice innovation in my local authority which promotes getting around to meet many of those affected by covid and—a double whammy—by the impact of Brexit on my community. They go around to do assessments, assisting many older and disabled people, and people who have fallen on hard times because of coronavirus and losing their jobs.

I also put on the record my concern about the tone of the introductory speech by the Minister, who seemed to be attacking the sector. In actual fact, we need to be praising the sector and building it up; instead, he used it as an opportunity to attack councils. I think this is a time for us all to pull together.

In my brief remarks, I want to highlight two broken promises of the Government. The first is failing to address the social care crisis—for many years, since 2010 when the Tories were first elected, they have promised to sort out social care, promising to put disabled people and older folk first. However, we still do not have a proper funding solution for social care. My message is: get on with it.

The second broken promise is the promise to do “whatever is necessary” for local government. I am extremely concerned about the waste of £1,000 a day on consultants on the failed test, trace and isolate system; that was spent instead of funding local government's shoe leather, to go around helping people to understand and to educate them about the importance of self-isolation. That is the role of local government but, instead, it was bypassed for an expensive test, trace and isolate system, with consultants—£1,000 a day, what a waste—to tell the Government what to do. At a much more value-for-money price, local government could have done a much better job.

Finally, on the question of council tax, we all know it is a regressive tax, which tends to hurt working families much more disproportionately than others. It falls heavily on renters, who will probably never be able to get on to the housing ladder in my constituency. Year after year, they have to pay more and more council tax, while landlords who own the properties do not pay a penny. We know that forcing councils to raise council tax in this way this spring will be terrible for those affected by coronavirus. The Government promised to do whatever was necessary and, instead, time after time we see local government being attacked. After the worst recession of any major economy and with the virus still not under control, now is not the time to put households under more pressure. I say to the Government and the Minister: rethink this policy.

6.8 pm

Imran Ahmad Khan (Wakefield) (Con) [V]: Today's debate on council tax rises is an excellent opportunity to set the record straight and to make it clear to the British people that Labour's position on this topic, as on so many others, opens it up to allegations of hypocrisy.

It is undeniable that most Labour-controlled councils spend money recklessly and with little concern for the consequences. Appreciate how Labour-controlled Wakefield Council has, for decades, overseen the city's deterioration. In 2008, the council pushed through plans for a £3 million market hall, against the wishes of local residents and the city's market traders. The scheme has caused the city real hurt and lost an average of £190,000 per year. Although vast, however, that does not even cover the former chief executive's £200,000 a year pay.

The council chooses to pay its bigwigs eye-watering sums, and yet it fails to deliver vital services. When it snowed last week, our roads were left unsafe for frontline workers to commute or the vulnerable to receive their vaccines. The council gritters were nowhere to be seen.

This sad story of inefficient and unresponsive local government is repeated in virtually every Labour-run administration. Nottingham city councillors gave themselves an above-inflation pay rise, while ruining council finances through schemes such as Robin Hood Energy. The Mayor of London severely mismanages taxpayers' money, spending an extra £9 million on staffing costs—all to help boost his image—without helping those most in need. Labour's record in local government is scandalous. The basic problem is that Labour continues to mismanage resources, and its irresponsible solution is to demand even more money, not to improve systems and create efficiencies. Where mismanagement of finances and waste are found, corrections must be made.

The Conservative Government have taken unprecedented action to ensure that councils can provide vital services during the pandemic. Councils have received £7.2 billion in extra funding, including £4.6 billion in un-ring-fenced grants to cover additional costs.

It is clear that Labour cannot be trusted to spend public money wisely. Labour relies on the taxpayer to always pay the cost of its failure. It is the Conservatives who have overseen a reduction in council tax in England in real terms. Labour managers saw this debate as an opportunity to claim the moral high ground, but Britain need only look at Labour's track record to recognise that this debate is yet another example of its chronic mismanagement.

6.11 pm

Kate Osborne (Jarrow) (Lab) [V]: The Government promised to do whatever was necessary to support councils during the pandemic. Why, then, are they planning to force a rise in council tax, not only breaking their promise, but forcing hard-working people to pay for their broken promises?

Families are already under huge financial pressures as a result of the fallout from covid. Our councils are coming off the back of austerity and have taken the brunt of Tory cuts over the last decade. Central Government cuts have led to council spending power and core funding becoming dependent on income from council tax. Constituencies such as mine have seen around a 33% rise in council tax since the Tories came into power. For some, a 5% council tax rise will add around £100 to their annual bill.

As a councillor for 10 years, I know that one of the biggest pressures on local government spending is adult social care, with councils and the vulnerable people they care for paying the price of the Government's failure to bring forward their long-promised plan to tackle the social care crisis. We should have seen social care packages and a social care funding settlement, but instead the Prime Minister's failure to bring forward a plan is putting huge pressure on council budgets and is failing some of the most vulnerable in our society. That is truly sickening when we look at the money that has been wasted during the pandemic on failed test and trace and on procurement from private firms through blatant cronyism.

Such irresponsible choices are nothing new from Conservative Governments. Even before covid, our economy was on shaky ground, with a quarter of UK households going into the crisis with less than £100 in the bank, and 3.6 million people trapped in insecure work. Throughout this crisis, the Chancellor has created problem

after problem time and time again. Instead of following the science, he set up a false choice between the economy and public health. That has cost jobs and livelihoods and has left us with the worst recession of any major economy.

Raising council tax now, alongside a cut to universal credit and a pay freeze for key workers, will leave families in the north-east and across the country with less money in their pockets. That is a slap in the face to those who have sacrificed so much during this crisis, and it will hit the poorest hardest. The Government must now live up to their promises. They must scrap this forced council tax rise and stand by their pledge to do whatever is necessary by fully funding our local authorities and protecting our vital services.

6.14 pm

Ben Bradley (Mansfield) (Con) [V]: The Opposition Front-Bench spokesman, the hon. Member for Croydon North (Steve Reed), started the debate by saying that the Government were forcing council tax rises and that Government failure has led to the economic challenge we face. I will start by saying simply that neither of those statements is true. Councils make their own decisions on council tax, of course, and the Conservatives introduced a cap on rises in 2011, which his party opposed in the LGA. Unless he is accusing the Government of plotting in the wet markets of Wuhan, clearly blaming them for covid, he is well wide of the mark.

As we have heard already, it is pretty rich for Labour to raise council tax as an issue when we know that Labour councils charge £84 a year more, when the Mayor of London wants a 10% tax rise and when a candidate in the West Midlands wants to whack £34 million on the bill for residents. There is no doubt that covid has come at significant cost to local authorities, and that is why more than £10 billion has gone into the coffers, plus the most generous local government settlement in a decade. That is before we mention schemes such as Everyone In, which supported people to get off the streets in the first lockdown, and the winter support grant, which is helping the most vulnerable people through the challenges of covid this winter.

Nowhere is the contrast more stark than in Nottinghamshire. We have heard a lot about it in the debate. In the Conservative-run county, the Conservative group has put residents in a strong financial position. Pre-covid, a lot of hard work went into rebuilding the council after years of Labour administration, and we have therefore been in a strong position to manage the pandemic and offer out services such as the support hub and additional help for residents while still being able to set a balanced budget for next year that protects services. Meanwhile, as we have heard, Nottingham City Council, Labour fiefdom that it is, blew £38 million on Robin Hood Energy, made 230 redundancies—apparently by Skype—and then its members awarded themselves above-inflation pay rises, despite destroying the council's finances. The council is struggling to put together a budget for next year and is calling the administrators in, and it will be residents in Nottingham city who will be asked to pay for it when the cash was splashed on ideological pet projects. Now it is all gone, and residents will pay the price for Labour's incompetence. Meanwhile, Mansfield District Council persists with an expensive executive mayoral system that adds costs, and

[Ben Bradley]

Ashfield District Council has created five new cabinet roles at £90,000 a year to give themselves jobs while raising council tax for residents. It is not good enough.

The Secretary of State is quite right to thank hard-working frontline officers for their work during this incredibly stressful and emotional time, often not helped by the politicians, frankly. I am pleased to be able to tell my residents in Mansfield that at least the Conservative-led county council is in a strong financial position and will be able to put forward a balanced budget for the year ahead and to continue to deliver good local services despite the ongoing challenges we face.

6.17 pm

Catherine McKinnell (Newcastle upon Tyne North) (Lab) [V]: Even before the covid-19 pandemic, millions were struggling to pay their council tax and other essential bills. Research in 2019 showed that 1.6 million people have fallen behind on council tax payments, and the pandemic has only worsened the situation. The financial pressures have put a spotlight on how local government has been forced to rely more and more on increases in council tax over recent years, despite it being a regressive tax that squeezes those least able to afford it. The staggering level of cuts in central Government funding to local authorities since 2010, as Conservative Governments have tried to put the blame for their choices on councils, combined with the failure to deal with the crisis in adult social care as our population ages, has left councils with no choice but to increase council tax and the social precept every year if they want to continue to provide essential child, adult and elderly social care services.

Ten years ago, about 40% of local government revenue came from council tax. Today, it is more than 60%. Let us be clear what that means. Conservative Governments have overseen a shift to a far more aggressive way of paying for local government, squeezing struggling families more and more and putting the pressure on communities that can bear it least, while failing to address the real financial challenges that local authorities face. Those challenges are huge. Following the latest local government financial settlement, revenue spending will be about 20% to 25% below what it was in 2010. Over the last 10 years, Newcastle City Council has had to make savings of £305 million, more than £2,000 per household, to balance its budget. Coronavirus has cost councils across the country more than £11 billion in 2020 alone.

We are all eager to get back to the way things were before last March, but as Unison's No Going Back to Normal campaign has highlighted, there can be no going back to the pre-covid status quo. That normal, with deep cuts to local services that support children, the elderly, the disabled, people with mental health conditions and many more, has made the human impact of the pandemic so much worse.

This is not just about local government arguing for what was promised. It is about a system that is quite obviously broken and unsustainable, and has been for some time, which is putting far too much pressure on those who can least afford to pay, and a Government who prefer to pass the buck to local authorities in the hope that voters blame them, instead of tackling the real issues and ensuring sustainable, life-changing local

services can be provided. Short-term sticking plasters are not going to solve the vital issues created by years of neglect, and we need to see urgent action and serious engagement on those real solutions now.

6.20 pm

Suzanne Webb (Stourbridge) (Con) [V]: Council tax has always been a political battlefield, and it is right that it is debated, especially as we will all have our role to play at some point in the economic recovery, and it will define every single one of us—not just as individuals, but as a nation—as to how well we do this and how quickly.

What I like about these debates is that they provide the opportunity to address the spurious political straplines that those on the Opposition Benches peddle, but what I do not like about these debates is the negative impact these very spurious straplines have on those who have seen their economic world order change overnight due to the pandemic. We should never seek to politicise and undermine those who are economically vulnerable. Never more so than today, we must protect and shield: it is not the time for political divisiveness. People want the facts and they need the truth. These are people's lives, after all. This pandemic has wreaked havoc on our economy and people need certainty, and they need reassurance. Managing money can feel like walking a tightrope at the best of times, let alone when a pandemic rips through the heart of someone's own personal economy.

The spurious strapline I refer to is this one:

"Labour...demanding that the Government reverse its plans to force councils to raise council tax"—

shameless misrepresentation, sheer political opportunism. Thankfully, these are the real and reassuring headlines: a £670 million hardship fund to enable local authorities to continue reducing council tax bills for those least able to pay—fact; under the Conservatives, council tax in England is lower in real terms—fact; and, yes, there may be a rise in council tax, but this is at the discretion of the local authority, which also has the flexibility to defer this increase for a year—fact. It is also somewhat surprising that we are having this debate, as many Labour-run councils across the country are in fact planning to increase council tax. The Labour mayoral candidate for the West Midlands has already said that he wants to raise council tax by £34 million to pay for young people to get free transport—fact.

Those most vulnerable do not need or deserve the shameless political opportunism that these Opposition debates represent. Everyone knows that this pandemic has affected our lives in many ways, and everyone knows that they will have their part to play in actually repairing the economy. What people want is the truth, not spurious headlines that serve no purpose but to destabilise and undermine those most vulnerable at the time of their greatest need.

6.23 pm

Matt Western (Warwick and Leamington) (Lab) [V]: This Government, like their predecessor and their predecessor, are pursuing a policy that promotes an ever-widening gap between the haves and have-nots. The opening remarks of the Secretary of State suggest he is clueless about how hard this is hurting hard-pressed households across the country. Most shameful of all is

the Government's disingenuous claim to level up our country and our society. This is laid bare in their approach to local government finance, where they have brazenly encouraged this widening of wealth between our local authorities—between shire and city, and north and south. Instead, they have presided over an acceleration of inequality across this country, while families have to stump up more money for less locally.

Fortunately, the public are starting to see this for the charade it is. After years of inflation-busting council tax increases in effect forced on authorities by this Conservative Government, the public see next to nothing in return: holes in the roads, holes in their arguments. Across England, we have seen the average band D council tax increase dramatically, way ahead of inflation. In 2015-16, this was £1,500, and it is expected now to rise to almost £2,000 in this next financial year. This represents an eye-watering 29% increase in cash terms on its level in 2015-16.

Residents in Warwick and Leamington are facing a further increase of £94 on average this coming financial year, despite next to no increase in wages and inflation at between 0.5% to 0.7%. Warwickshire County Council has lost half a billion in funding since 2013. Among all the services it has cut or closed, let me just mention the virtual closure of youth services, which has clearly contributed to knife crime rocketing. We now have the prospect of yet another rise in the police levy from the police and crime commissioner. It is another 6%—12 times the inflation rate—on local taxes, while cutting 87 staff from the investigations and domestic abuse teams. That is 87 dedicated and experienced police staff being made redundant.

This is all against a backdrop of the Government handing out cash to their mates, with £21 billion for a failed test and trace scheme that sees call operators staying at home and making a couple of calls a day. The Government are starving local public health of money, although local public health would do it better for less. They are shovelling money to other mates setting up middlemen businesses to import personal protective equipment that never arrives—merely hundreds of millions of pounds in their case.

Let me give the Government one desperate plea from local government: charge a fair fee for planning. It is ridiculous that a site employing 2,000 people here for the new megalab in Leamington is, in effect, being subsidised by Warwick District Council. I also make a plea to provide some long-term certainty. How many times have we heard the Government say they will do whatever it takes, only to take whatever they like from what they promised local government? On 16 March, the Secretary of State told 300 council leaders they would do whatever necessary to support them. We are seeing an ever-widening gap in our society, and another inflation-busting council tax is just one too many for them.

6.26 pm

Tom Randall (Gedling) (Con) [V]: This is a Government who are supporting councils with £10 billion of support, including more than £2 million to Gedling Borough Council here in Nottinghamshire, plus more to help ease financial burdens. This Government's support for local councils has been unprecedented and generous and helped share the burden they face.

Our councils are so often on the frontline when it comes to delivering services. That is especially so in this pandemic, where they have done so much. I thank the staff at Nottinghamshire County Council and Gedling Borough Council for all the work they have done over the past year. From social care to keeping waste collections going, to making food packages at the Richard Herrod Centre in Carlton, council staff have kept the show on the road in difficult circumstances.

More generally, councils need to be well-run, and from where I am speaking, there is a tale of two councils. Conservative-led Nottinghamshire has been described by an LGA peer review as

“an effective council delivering good quality citizen-focused services to its residents.”

The report stated:

“There is financial stability in the organisation and the Council has a proven track record of delivering savings while maintaining front-line services over a long period of time—this is impressive.”

The council has halved the budget gap that it inherited from the previous Labour administration and kept discretionary services such as libraries open. It is set to make a balanced budget next year.

That is all in contrast with Labour-run Nottingham City Council, which we have already heard much about today, and for good reason. It is a council that is selling off assets to try to balance the budget, a council that organised a Christmas market that closed after one day and, infamously, a council that set up the now-failed Robin Hood Energy.

Robin Hood Energy had customers from far and wide—I believe the former Labour leader, the right hon. Member for Islington North (Jeremy Corbyn), was the most high-profile. While he and fellow Islingtonians might have benefited from cheaper energy prices, the collapse of the company will be felt by the working-class taxpayers of the Meadows, Sneinton and St Ann's in the city, as Nottingham City Council seeks to make up for the tens of millions of pounds it has lost. For the residents of Nottinghamshire, the choice could not be more stark. I trust that in May the good folk of Nottinghamshire will choose wisely.

6.29 pm

Zarah Sultana (Coventry South) (Lab) [V]: When the pandemic first hit, the Government brought back an old phrase. “We are all in it together”, they said, but that is not how it has turned out. A report published today by Oxfam shows that the 10 richest individuals in the world have seen their wealth rise by more than £400 billion since March. Friends and donors of the Conservatives have been handed fortunes in deeply questionable covid contracts. Private companies have seen it as an opportunity to open up the NHS to further privatisation. But the vast majority of the public? More than 750,000 jobs lost and 6 million families now on universal credit. In poorer, working-class communities, people are at twice the risk of dying from covid compared with those in the richest. BAME communities are at between 10% and 50% higher risk of dying. Just like when the greed of bankers caused the financial crisis and the working class paid with a decade of austerity, here again, the working class are being hit the hardest by a crisis not of their making.

[Zarah Sultana]

That is the background to the Government's plans, forcing councils to raise council tax to help plug the gap of the £15 billion cut from central Government funds in the last decade. It is a move that can mean a rise of nearly £100 on average for band D households, breaking the Government's promise to

"do whatever is necessary to support councils".

It does not stop there. In addition to the Government's plans to cut universal credit by £1,000 a year, they plan to rip up workers' rights, endangering everything from holiday pay entitlement to the 48-hour working week. They have already cut corners on free school meals and forced a cruel public sector pay freeze on key workers, even as their labour is what is getting us through this crisis.

Before the pandemic hit, Britain was rigged: rigged in the interests of the rich and the powerful by a Tory party funded by the rich and the powerful. That rigged society has meant that this pandemic has hit much harder than it needed to: workers who cannot afford to self-isolate, families who are crammed into overcrowded housing, services privatised and run for profit, not public health, and now the highest death toll in Europe, the worst death rate in the world and the deepest recession of any major economy. There should be no going back to that. So, far from increasing council tax for ordinary people or freezing pay for key workers, we should instead crack down on the £90 billion dodged in tax every year, making the super-rich and big businesses pay their fair share, and giving key workers the pay rise they deserve, councils the funding they need and our public services the resources to serve us all.

6.32 pm

Derek Thomas (St Ives) (Con) [V]: I was once a member of Penwith District Council, a council renowned for keeping council tax low and the quality of service delivery high. That came to an end with Labour's local government reorganisation programme, forcing Cornwall Council on the good people of the Duchy. Since then, we have seen several years of council tax rises and several examples of wasteful spending, some of which was set out by my friend and colleague, my hon. Friend the Member for St Austell and Newquay (Steve Double). In fact, when the Conservative-run administration froze council tax for several years, Labour scoffed at us, suggesting that a rise equalled just four tins of baked beans. Many hundreds of tins of baked beans later, council tax presents a grave drain on working families and what we know as the just-about-managing. My sympathy is with those families, not the party political stunt of an Opposition day motion that we are now used to. I will always favour low taxes and good value for money. The example for Cornwall and of Cornwall is that this is only the case under a Conservative-run council.

As was mentioned by the hon. Member for Westmorland and Lonsdale (Tim Farron), the Government ran a consultation on council tax and second homes. The consultation was triggered by a debate I secured to seek to address the shortage of housing in tourist areas such as Cornwall and the Isles of Scilly. Could the Government please look at this issue? This debate relates to an increase in council tax to fund public services. I believe

in tax simplification and a fair tax system for all. One way to address the issue would be to apply council tax to all properties built for residential purposes. That would ensure our police, and our town and parish councils receive the money they should receive and need. Sharing the costs of local public services fairly is something the Conservatives believe in and this is an opportunity to address that further. Would the Minister therefore please look at what is needed to ensure that properties built for residential purposes pay their fair share of council tax in areas such as mine around the country where tourism is a key part of the local economy?

6.34 pm

Mr Kevan Jones (North Durham) (Lab): Most council tax payers think that their council tax pays for all council services, but that is not the case; it is made up of council tax, central Government grant and business rates. The central Government grant has been cut by 56% in the last 10 years, in a deliberate policy of this Government to move funding away from central Government grant and on to local council tax payers. In County Durham, for example, the council's budget has been cut by 40%, which is £232 million in central grant. That has hit northern councils harder, because they relied heavily on the central Government grant for a proportion of their income.

It is a double whammy, because the Government are now pushing this on to council tax. In County Durham, 50% of properties are in band A. Surrey, for example, has larger numbers of council tax payers in band H. A 1% increase in Durham raises very little compared with what it raises in Surrey, so northern councils are being penalised through this.

We have heard all the nonsense this afternoon about local government needing to be more efficient. Councils are making efficiencies, but it is not possible to cut 40% of a council's budget without services being affected. Some 60% of Durham County Council's budget is spent on social care and looked-after children. The idea portrayed that every council is the same is nonsense, in terms of the demand for social care and care for looked-after children.

The Conservative Government and Government Members then blame councils for putting up parking charges and everything else. The councils have to, because frankly, that is the only way they are going to get their income. They criticise councils for speculative property developments. I would criticise them as well, because the majority of them are by Conservative councils in the south-east of England, and that cannot be right.

The Government's campaign slogan is about levelling up the north. Well, I am sorry, but this Government and their predecessor have done exactly the opposite for the last 10 years. Pushing the increase in local government funding on to local council tax payers is not about levelling up. It will mean that people pay more in the north than they do in the south. If that is this Government's idea of levelling up, it is not what is being portrayed by many Government Members. This is a regressive tax that will hit hard-working families in areas such as mine in North Durham.

6.37 pm

James Daly (Bury North) (Con) [V]: I have been a councillor in my constituency for the last nine years. Much like my hon. Friend the Member for Heywood

and Middleton (Chris Clarkson), I have sat through repeated budgets from a Labour-controlled council, and they have never needed any encouragement at all to increase council tax. Year after year in Bury, we have council tax increases. What is the reason for that? Clearly, it has not been pandemics or any other reason—it is down to sheer incompetence.

I have listened in amazement to some of the contributions from Labour Members. The plain fact of the matter is that the north of England has been blighted by a decades-long record of incompetence from Labour councillors, and that incompetence has been palmed off on to the poor taxpayer with continued tax rises. To hear some of the stories today is somewhat nauseating when my constituents have suffered as a result of continued incompetence from Labour authorities. One of the things that we never hear from Labour politicians is, what money do councils need? What do they want to deliver? What do they want local residents to see? In my area, it is very difficult to see what my Labour authority has changed or what innovative projects have been put in place, because none have. We have suffered through incompetence, and it is no good Opposition Members simply using tired old slogans and politics by soundbite, with no record in local government upon which to base any of these claims.

Over the last financial year, this Government have supported Bury Council with £107 million of extra spending, with further business support on top of that. That is an unprecedented level of support for my local authority. But we must hold local authorities to account. Democracy is both a national and local concept. Labour politicians would seek to hide the incompetence of Labour councils and mayoralities in the north of England by speaking in generalities about matters that are not affecting people's lives.

I am proud of this Government; they have found the money to support councils through this pandemic period, and continue to find the money to support councils to deliver the services that are needed. Just once, I hope that the Labour party comes forward with proposals that would have an actual impact on constituents such as mine in Bury North, rather than just talking in generalities and soundbites, and setting up a social media storm that I am sure will hit all Conservative MPs the moment that this debate finishes.

6.40 pm

Ruth Cadbury (Brentford and Isleworth) (Lab) [V]: Following on from the hon. Member for Bury North (James Daly), I will talk about practicalities.

The Government are forcing councils to increase council tax while simultaneously forcing them to make cuts. They are passing on the responsibility of funding the cost of covid to our local councils, and breaking the promise made to them at the start of the pandemic that they could spend “whatever it takes.” In the next few weeks, councillors in Hounslow and across the country are having to make incredibly hard decisions, on top of the many years of cuts that they have already had to make. In Hounslow, those cuts have meant virtually closing all youth services, and cutting social care when the need for care is growing. These are decisions that no councillor was elected to make, but which are forced on my council, in my constituency, thanks to a roughly 80% reduction over 10 years to the central Government grant, which once made up half of Hounslow's income.

Even before covid, Hounslow councillors were going have to find £6 million of savings for this coming year, and £12 million for the next. They were—and still are—having to consider further cutting social care provision, as well as so-called back-office roles, which actually have an impact on the frontline, because these are the people who ensure that services change as conditions change; they are usually central to ensuring that the council is efficient, which is something that all taxpayers expect. On top of this, Hounslow has had to fund £20 million of additional spend on covid costs, as well as loss of business rates and other income.

Up to one in three families in Hounslow includes someone working at Heathrow, so job losses have had a massive impact and family incomes have been devastated. The Government's covid grants have hardly touched the sides of the costs of responding to the community needs caused by covid. Those costs include the community hub to identify and support those who are isolated and vulnerable in order to ensure that they have food, medicines and other support. Hounslow has provided financial support to those who have lost income and, because there has been a devastating loss of income, the council has developed a “cornerstones of recovery” plan, which supports people into alternative work, helps with establishing small businesses and provides community support. But there are also many indirect costs.

Covid will leave a legacy in terms of poverty, employment, homelessness, the education gap and increased demand in social care, which will last for many years to come. The Government should work in partnership with councils and fully support the costs that they have incurred. Instead of hitting families with a triple hammer blow of council tax hikes, pay freezes, and cuts to universal credit and council services, Labour would act to secure our economy, protect our NHS and rebuild our country.

6.43 pm

Kate Hollern (Blackburn) (Lab) [V]: I pay tribute to everyone who has taken part in today's debate. There have been excellent contributions from Labour Members, who understand the devastating impact of broken promises from this Government on the communities they serve.

It is worth repeating that in March the Local Government Secretary told local leaders that the Government would do “whatever it takes” to support councils during this pandemic. Come May, he broke that promise and said that councils would not be fully reimbursed. We have heard of the huge package that the Government have put into local councils. What the Government fail to mention is the cross-party letters that the Secretary of State has received from leaders telling him that that is not enough and that he should honour his promise. Government Members talk about business support, but not the businesses they fail to support; they talk about the discretionary support for those who have to self-isolate, but not about the thousands they did not support.

As we have heard today, the Government want to present their council tax hike as a choice, but it is not. We do not have to be economists to realise that this is the wrong time to force councils to raise council tax and ask hard-pressed families to pay for Government failures. The Secretary of State knows full well that his broken promise to do whatever is necessary to support councils will force local leaders to raise council tax to protect

[Kate Hollern]

vital services. Councils of all political stripes across the country will raise council tax to keep services running and get their communities through this pandemic. They are being punished for this Government's broken promises—punished for doing right by their communities and punished for Government failures.

Local authorities are still reeling from the £15 billion of cuts over the last decade. We have heard a lot of Tory Members blame Labour councils for raising council tax. As we have heard from many Labour Members, council budgets have been cut by over 50% in the last decade. Councils will have no choice, but the Government had a choice—they had a choice, and they took the decision to cut council budgets. That left councils less financially resilient going into this pandemic, precisely because it left them more reliant on business rates and council tax. As we know, those revenues vanished during lockdown. The Secretary of State ought to have known that before he made a promise to compensate councils—a promise he has continually failed to keep.

It need not have been this way. This is a Conservative Government who have wasted tens of billions of pounds of public money on a test and trace system that does not work—a Conservative Government who handed out crony contracts to their friends for PPE that did not work. It will be families picking up the tab for those broken promises and stuck with a regressive tax rise through the back door at the worst possible time.

As my hon. Friend the Member for Croydon North (Steve Reed) told us, the Government's council tax hike will increase regional inequality and do precisely the opposite of uniting and levelling up our country. The Conservative Government are dividing communities when they should be bringing communities together. This rise will hit families in all areas, but it will hit the north-west and the north-east particularly hard. A 5% increase in Surrey raises £38 million, while a 5% increase in Blackburn raises only £2.8 million. I pay tribute to my hon. Friends the Members for Sheffield, Brightside and Hillsborough (Gill Furniss), for Denton and Reddish (Andrew Gwynne), for Manchester, Withington (Jeff Smith) and for Hartlepool (Mike Hill) for raising that point—something that was missed by the hon. Member for Bury North (James Daly). In marked contrast, we heard contributions from lots of new Conservative Members from those regions, including the hon. Member, who sought to defend the hike. I am sure their constituents will demand to know why they are prepared to defend and vote for these rises.

Happily, though, there is still time for those Members to do what is right and oppose these hikes, just as there is still time for the Government to think again, scrap the planned rise and stand by their pledge to stand behind councils. A tax rise now will see families up and down the country worrying about paying the bills and keeping food on the table. Businesses will worry about how they will keep their doors open with fewer customers. Councils will worry about protecting their services. I urge the Government to change course now so we can secure our economy, protect our NHS and begin to rebuild our country.

6.49 pm

The Minister for Regional Growth and Local Government (Luke Hall): I appreciate that this has been a contentious debate, but may I start by expressing my huge appreciation

for the incredible work that councils across the country have been doing to help lead the response to the pandemic? They have been at the frontline of the response in areas such as social care, testing and ensuring public safety, and they have continued to do an outstanding job in delivering the day-to-day services that we all rely on so much, including waste collection, highways maintenance, park management and so much more. May I also join my hon. Friend the Member for St Austell and Newquay (Steve Double) in praising parish and town councils, which have worked so hard over the course of this year to deliver their services?

Unfortunately, what we have heard today is an Opposition who completely misunderstand some of the basic rules of local government finance. The premise of their argument seems to be that the Government are somehow forcing councils to increase council tax by failing to provide adequate support in response to the pandemic. However, if we step back and look at the basic facts, we will see that nothing could be further from the truth.

If Members look at councils' self-reported figures to our Department, which project that cost pressures for covid total £6.9 billion, and compare that with the £8 billion that we have already provided to councils since March, they will see that we have provided them with £1 billion more than they are spending in response to this pandemic. On top of that, we have provided a business rates holiday worth about £10 billion to retail, hospitality and leisure industries. We have also given councils over £17 billion to provide grants to thousands of businesses across the country, and we have seen some incredible work from councils in getting those grants directly to affected businesses. We have also introduced a sales, fees and charges scheme, supported leisure centres and supported councils with local tax losses. Councils will continue to receive funding through the contain outbreak management fund, to tackle the spread of the virus. That is worth over £225 million a month. We are backing local government all the way with the necessary funding now and into the future.

Sara Britcliffe (Hyndburn) (Con): Does my hon. Friend agree that it is welcome that today Hyndburn Borough Council received an extra £492,000 to help with the community response? Does he also agree that it is important that our residents get the bang for their buck and that the basics get done, such as streets being cleaned, bins emptied and empty buildings on our high streets restored to their former glory?

Luke Hall: My hon. Friend is absolutely right that councils should be delivering efficient services with the settlement that they have received from this Government.

If we look at the provisional settlement that the Secretary of State published on 17 December, we see a 4.5% cash-terms increase in core spending power—a real-terms increase for the next financial year. We have also committed at least £3 billion of additional help to councils for next year. That includes the extension of the sales, fees and charges guarantee scheme, which we know has been a lifeline to so many councils during this pandemic. Our commitment to support councils is stronger than ever, and we will ensure that they have the resources they need to deliver first-class public services.

May I thank Members from both sides of the House for their contributions to this debate? I appreciate that it has been hotly contested and contentions, but some important points have been raised. I was surprised, however, to see numerous Opposition Members stand up and say how much they disagreed with the Government's proposal, given that so many of their councils have not even bothered to respond to our consultation. The hon. Member for West Ham (Ms Brown) said how much she and her council disagreed with it, but Labour-run Newham Council has not responded to our consultation on council tax. The hon. Member for Slough (Mr Dhesi) told us how strongly he and his council feel about this issue, but it has not responded to our consultation, either. Perhaps that is because it welcomes fully the 3.9% increase in core spending power that it will receive next year. The hon. Member for Westmorland and Lonsdale (Tim Farron) told us how much he and his local Lib Dem council did not support it, but it has also not bothered to respond to the consultation. It is typical of a Lib Dem administration that it stands up, shouts from the sidelines and fails to do the necessary work.

Mr Kevan Jones: It might be because the Government completely ignore them. Durham County Council has lost 40% of its budget—£232 million—in the past 10 years. Under the proposed council tax rises, its limited council tax base will limit what it can raise compared with southern councils. How can that be right, in terms of moving money from the north to the south?

Luke Hall: I do not see how it is right for the right hon. Gentleman's local council to spend millions of pounds on doing up an office building and installing a roof terrace during the middle of the covid pandemic. I shall come to his point about council tax redistribution in a moment.

The hon. Member for Garston and Halewood (Maria Eagle) talked about Liverpool City Council being forced to raise council tax. That is not the case; councils have a choice. Liverpool has been campaigning to have a higher council tax—

Mr Jones: On a point of order, Madam Deputy Speaker.

Madam Deputy Speaker (Dame Eleanor Laing): We are not taking bogus points of order right now, because it is not fair for people who are not here in the Chamber. If the hon. Gentleman has a real point of order, I will listen to him.

Mr Jones: The right hon. Member does have a point, because what the Minister has just done is inadvertently misled the House—

Madam Deputy Speaker: Order. No, no—

Mr Jones: Durham County Council is not doing—

Madam Deputy Speaker: Order. This is a debate; there are, therefore, differing points of view on either side of the House—*[Interruption.]* Do not shout at me in the Chair.

Luke Hall: The Opposition motion calls on the Government to drop “plans to force local councils to increase council tax”—

another complete misunderstanding of the system of local government finance. Decisions on council tax levels are, of course, for local councils themselves. We are allowing councils the flexibility to raise council tax up to the ceiling that we have set, with a 2% council tax referendum limit—a ceiling that many Labour councils have been asking us to raise—and an additional 3% for adult social care responsibilities.

We are also giving councils the flexibility to defer rises in the adult social care precept for next year, if that is what councils locally decide and if local circumstances require that. Vitally, we are also providing councils with £670 million of new funding to enable them to continue to reduce council tax bills next year for those least able to pay—a point that was made so well by my hon. Friend the Member for East Surrey (Claire Coutinho).

We on the Government side of the House trust councils to make the right decisions on council tax; the Labour party cannot even persuade its own councils, which have been writing to us to ask for greater flexibility so that they can raise council tax even more. The Labour party cannot even persuade the Labour group on the LGA, which would see the cap on council tax rises scrapped altogether, as my hon. Friend the Member for Dudley South (Mike Wood) pointed out.

Several Members made points about the Government's record on council tax. My hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) put it very well: under the Labour Government, council tax doubled, it has trebled in Wales and the Labour Mayor of London wants to raise it by 10%, whereas under the Conservatives it has fallen in real terms since 2010. We have introduced council tax referendums, which put an end to the crude universal capping system of the past; we put in place voluntary council tax freeze schemes for five years, which helped to deliver the lowest average increases across England since council tax was introduced; we have introduced local council tax support schemes, requiring councils to set up schemes to help those least able to pay; and we have given councils flexibility over discounts and exemptions and helped them to better manage local housing markets through the introduction of the empty homes premium.

A number of Members raised the issue of social care and were absolutely right to do so. We are funding councils for social care into the future, as my hon. Friend the Member for Dudley South pointed out. The provisional local government finance settlement for next year will provide councils with more than £1 billion of additional funding for social care next year, including £300 million of new grant funding. That is in addition to the £790 million that can be raised through the adult social care precept, if councils decide to. That is, of course, on top of the £1 billion social care grant announced last year, which is being maintained in line with our manifesto commitment.

I was surprised to hear the hon. Members for Nottingham South (Lilian Greenwood), for Worsley and Eccles South (Barbara Keeley) and for Denton and Reddish (Andrew Gwynne)—the former shadow Secretary of State, for whom I have huge respect—all talk about the social care precept raising money in the wrong places. They obviously have not studied the detail of the settlement, which says clearly that we have put aside £240 million to equalise the differences in adult social care precepts. I am afraid they just have not read the detail of the settlement. My hon. Friend the Member

[Luke Hall]

for Middlesbrough South and East Cleveland (Mr Clarke) pointed out the pressures on household budgets, which are exactly why we have introduced the £670 million scheme.

The Opposition misunderstand and misunderstood the local government finance system. They cannot grasp the fact that it allocated over £1 billion more to local government than councils are spending in response to the pandemic. We take no lectures from a party that doubled council tax when in office and have trebled it in Wales. We are ensuring that councils have the resources they need to come out of this pandemic stronger, and that is why we are supporting councils with a £2.2 billion rise in core spending power and £1.5 billion of extra support to help with covid costs.

We are giving councils the flexibility to defer any increases next year if they believe it is right for their community. We are protecting residents from the sort of outrageous tax hikes that were so commonplace under the last Labour Government. Councils have done an incredible job of responding throughout the pandemic, and we are standing behind them.

Madam Deputy Speaker (Dame Eleanor Laing): I should point out that in current circumstances, when hardly anyone is here, there is no question of my being able to decide this Division on the voices, as there are so few representative voices present. Therefore, I call a Division.

Question put.

The House divided: Ayes 210, Noes 0.

Division No. 211]

[7 pm

AYES

Abbott, rh Ms Diane	Charalambous, Bambos
Abrahams, Debbie	Clark, Feryal
Ali, Rushanara	Cooper, Daisy
Ali, Tahir	Cooper, Rosie
Allin-Khan, Dr Rosena	Cooper, rh Yvette
Amesbury, Mike	Corbyn, rh Jeremy
Anderson, Fleur	Coyle, Neil
Antoniazzi, Tonia	Creasy, Stella
Ashworth, Jonathan	Cruddas, Jon
Barker, Paula	Cryer, John
Beckett, rh Margaret	Cummins, Judith
Begum, Apsana	Cunningham, Alex
Benn, rh Hilary	Daby, Janet
Betts, Mr Clive	Davey, rh Ed
Blake, Olivia	David, Wayne
Blomfield, Paul	Davies, Geraint
Brabin, Tracy	Davies-Jones, Alex
Bradshaw, rh Mr Ben	De Cordova, Marsha
Brennan, Kevin	Debbonaire, Thangam
Brown, Ms Lyn	Dhesi, Mr Tanmanjeet Singh
Brown, rh Mr Nicholas	Dodds, Anneliese
Bryant, Chris	Doughty, Stephen
Buck, Ms Karen	Dowd, Peter
Burton, Richard	Dromey, Jack
Butler, Dawn	Duffield, Rosie
Byrne, Ian	Eagle, Dame Angela
Byrne, rh Liam	Eagle, Maria
Cadbury, Ruth	Edwards, Jonathan
Campbell, rh Sir Alan	Efford, Clive
Carden, Dan	Elliott, Julie
Champion, Sarah	Elmore, Chris

Eshalomi, Florence	McMorrin, Anna
Esterson, Bill	Mearns, Ian
Evans, Chris	Miliband, rh Edward
Farron, Tim	Mishra, Navendu
Fovargue, Yvonne	Moran, Layla
Foxcroft, Vicky	Morden, Jessica
Foy, Mary Kelly	Morgan, Stephen
Gardiner, Barry	Morris, Grahame
Gill, Preet Kaur	Murray, Ian
Glindon, Mary	Murray, James
Green, Kate	Nandy, Lisa
Greenwood, Lillian	Nichols, Charlotte
Greenwood, Margaret	Norris, Alex
Griffith, Nia	Olney, Sarah
Gwynne, Andrew	Onwurah, Chi
Haigh, Louise	Oppong-Asare, Abena
Hamilton, Fabian	Osamor, Kate
Hardy, Emma	Osborne, Kate
Harman, rh Ms Harriet	Owatemi, Taiwo
Harris, Carolyn	Owen, Sarah
Hayes, Helen	Peacock, Stephanie
Healey, rh John	Pennycook, Matthew
Hendrick, Sir Mark	Perkins, Mr Toby
Hill, Mike	Phillips, Jess
Hillier, Meg	Phillipson, Bridget
Hobhouse, Wera	Pollard, Luke
Hodge, rh Dame Margaret	Powell, Lucy
Hodgson, Mrs Sharon	Qureshi, Yasmin
Hollern, Kate	Rayner, Angela
Hopkins, Rachel	Reed, Steve
Howarth, rh Sir George	Rees, Christina
Huq, Dr Rupa	Reeves, Ellie
Hussain, Imran	Reeves, Rachel
Jarvis, Dan	Reynolds, Jonathan
Johnson, Dame Diana	Ribeiro-Addy, Bell
Johnson, Kim	Rimmer, Ms Marie
Jones, Darren	Rodda, Matt
Jones, Gerald	Russell-Moyle, Lloyd
Jones, rh Mr Kevan	Saville Roberts, rh Liz
Jones, Ruth	Shah, Naz
Jones, Sarah	Sharma, Mr Virendra
Kane, Mike	Sheerman, Mr Barry
Keeley, Barbara	Siddiq, Tulip
Kendall, Liz	Slaughter, Andy
Khan, Afzal	Smith, Cat
Kinnock, Stephen	Smith, Jeff
Kyle, Peter	Smith, Nick
Lake, Ben	Smyth, Karin
Lammy, rh Mr David	Sobel, Alex
Lavery, Ian	Starmer, rh Keir
Lewell-Buck, Mrs Emma	Stevens, Jo
Lewis, Clive	Streeting, Wes
Lloyd, Tony	Stringer, Graham
Long Bailey, Rebecca	Sultana, Zarah
Lucas, Caroline	Tami, rh Mark
Lynch, Holly	Tarry, Sam
Madders, Justin	Thomas, Gareth
Mahmood, Mr Khalid	Thomas-Symonds, Nick
Mahmood, Shabana	Thornberry, rh Emily
Malhotra, Seema	Timms, rh Stephen
Maskell, Rachael	Trickett, Jon
Matheson, Christian	Turner, Karl
McCabe, Steve	Twigg, Derek
McCarthy, Kerry	Vaz, rh Valerie
McDonagh, Siobhain	Webbe, Claudia
McDonald, Andy	West, Catherine
McDonnell, rh John	Western, Matt
McFadden, rh Mr Pat	Whitehead, Dr Alan
McGinn, Conor	Whitley, Mick
McGovern, Alison	Whittome, Nadia
McKinnell, Catherine	Williams, Hywel
McMahon, Jim	Wilson, Munira

Winter, Beth
Yasin, Mohammad
Zeichner, Daniel

Tellers for the Ayes:
Colleen Fletcher and
Gill Furniss

NOES

Tellers for the Noes: John Spellar and
Liz Twist

Question accordingly agreed to.

Resolved,

That this House calls on the Prime Minister to drop the Government's plans to force local councils to increase council tax in the middle of a pandemic by providing councils with funding to meet the Government's promise to do whatever is necessary to support councils in the fight against covid-19.

The list of Member currently certified as eligible for a proxy vote, and of the Members nominated as their proxy, is published at the end of today's debates.

Madam Deputy Speaker (Dame Eleanor Laing): I will now suspend the House for three minutes in order that the necessary arrangements can be made for the next item of business.

7.12 pm

Sitting suspended.

Employment Rights: Government Plans

Madam Deputy Speaker (Dame Eleanor Laing): I advise the House that Speaker has selected the amendment in the name of the Prime Minister.

7.15 pm

Andy McDonald (Middlesbrough) (Lab): I beg to move,

That this House believes that all existing employment rights and protections must be maintained, including the 48-hour working week, rest breaks at work and inclusion of overtime pay when calculating some holiday pay entitlements, and calls on the Government to set out to Parliament by the end of January 2021 a timetable to introduce legislation to end fire and re-hire tactics.

May I start by welcoming the Secretary of State to his place and wishing him every success in his new role? I am sure that I speak for the whole House in paying a heartfelt tribute to the workers of our country—the women and men who have battled so hard throughout this pandemic, persevering in the most difficult environment that any of us, who have not suffered the horrors of war, have ever known. I am talking about those keyworkers: our nurses, our doctors, health and care workers, shop workers, cleaners, transport workers and, indeed, everybody who has worked so selflessly and bravely battled to maintain services throughout our country. Many of them have had to go to work with real concerns about their own safety and that of their families. Sadly, too many have worked in unsafe conditions because of the Government's failure to enforce workplace health and safety standards or to provide the financial support needed for people to self-isolate. Tragically, so many workers have lost their lives, including a member of our own House of Commons family, namely Godfrey Cameron, and we grieve with, and for, all who love them. Workers are facing enormous stresses and pressures, and many are having to deal with major mental health challenges. It is with all those workers in mind that Her Majesty's Opposition bring forward this motion today.

This pandemic has exposed the many deficiencies in workers' rights and protections, and now there is a real yearning that, when we emerge from this crisis, a better deal for working people is not only possible, but essential. Yes, the economic position is tough, but people came back from a devastating war in 1945 determined to forge a better society for their families to prosper in. Such a moment, as President Biden said, of renewal and resolve is right now. At no time in living memory has it been clearer that the safety and security of working people is inextricably linked with public health and the economy.

Mark Tami (Alyn and Deeside) (Lab): Does my hon. Friend agree that some employers, such as British Airways and British Gas, have used the covid situation to exploit workers and to try to change their terms and conditions in this very difficult environment?

Andy McDonald: I agree wholeheartedly with my hon. Friend in that respect and I will come on to deal with many of those issues later on in my speech.

Against this backdrop, it is shocking that the Government would even consider embarking on a review to rip up the hard-won rights of working people. As revealed in the *Financial Times*, the Government have drawn up plans to end the 48-hour working week, weaken rules around rest breaks and exclude overtime when calculating holiday and pay entitlement. If the Government have

[Andy McDonald]

their way, these changes would have a devastating impact on working people. Quite simply, it will mean longer hours, lower wages and less safe work.

The 48-hour working week limit is a vital protection of work-life balance. It is also a crucial health and safety protection, without which the physical and mental wellbeing of workers and the general public is at risk. But let us not beat around the bush: working longer hours leads to more deaths and more serious injuries. Nobody wants their loved ones cared for by our fantastic, but exhausted and overworked, nurses or ambulance staff, or for buses and trains to be operated by tired-out drivers. After the sacrifices of the past year, it is unconscionable for the Government to plot changes that would endanger workers and the public.

It is not just about making work less safe; the Government are proposing to exclude overtime from holiday pay entitlements, which would be a hammer blow to the finances of the country's lowest paid and most insecure workers. Under current rules, regular overtime is included when calculating holiday pay entitlement, ensuring that it reflects the hours that are actually worked. Scrapping those rules would mean that the holiday pay that workers get would be lower. The average full-time care worker would lose out on £240 a year, a police officer more than £300, an HGV driver more than £400 and a worker in food and drink processing more than £500.

The losses, however, will be even more severe for those who work irregular hours, such as retail workers, who work lots of overtime. USDAW, the Union of Shop, Distributive and Allied Workers, described the case of Leon, a warehouse worker who works night shifts for a major parcel delivery company. Employed on an 8.5-hour contract, but working 36.5 hours in an average week, Leon would lose £2,149.22 per year.

All of that is at the start of the stewardship of a new Secretary of State for Business, who wrote in "Britannia Unchained" in 2012 that the British are "among the worst idlers in the world".

The Secretary of State is wrong: far from being lazy, British workers work some of the longest hours of workers in any mature economy, yet our economy still suffers from poor productivity.

The solution is to strengthen employment rights, not to strip them away in a bid to make working people work even longer hours. The Secretary of State excused his comments as being made a long time ago, but in 2015 the right hon. Gentleman wrote and edited another pamphlet, called "A Time for Choosing", in which he said:

"Over the last three decades, the burden of employment regulation has swollen six times in size",

before singling out protections on working time, declaring that the UK

"should do whatever we can to cut the burden of employment regulation."

Does he stand by that?

James Cartlidge (South Suffolk) (Con): On recent writings, Labour had a manifesto in December 2019 that committed to a four-day week. Is that still its position?

Andy McDonald: There is a clear and active discussion about working time and the quality of life for working people. Since time immemorial, that discussion has taken place. I have no doubt that it will be a subject for debate and consideration between now and the next election, and way beyond. It is a perfectly proper area of debate.

The Secretary of State has spent a career calling for employment protections to be weakened, so he has a lot of ground to cover if he is to persuade the country's 30 million-plus workers that he is on their side.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The hard workers my hon. Friend is talking about includes the many British Gas workers in my constituency, GMB members I met last week. I was very surprised to be told by them that the chief executive of British Gas had called personally to put pressure on them to accept new, worse terms. Bizarrely, he suggested that senior Labour figures had endorsed that. Will my hon. Friend confirm that that is absolute nonsense, that we stand in solidarity with them and that British Gas should get back around the table for serious negotiations? Of course, I draw attention to my membership of the GMB and the support that it has provided me.

Andy McDonald: I am more than happy and delighted to confirm that that is utter and complete nonsense. Is it likely? I just ask people: is that really likely? Of course it is not.

If the Secretary of State now wants to say that the 48-hour cap, holiday pay entitlements and rest breaks will be protected, and that he will scrap the planned consultation, perhaps he can say so in unequivocal terms here today and vote for our motion.

Today's motion also calls on the Government to set a timetable to introduce legislation to end "fire and rehire" tactics. It is not a new phenomenon, but it has gained prominence because of the conduct of major employers such as British Airways, Heathrow and British Gas—some in circumstances that they claim to be justified by the covid pandemic. It is about sacking workers and hiring them back on lower wages and worse terms and conditions, including 20,000 British Gas employees who kept working through the pandemic to keep customers' homes warm and worked with the Trussell Trust to deliver food parcels. I think of the engineer who explained that he was often the only face that people living in isolation were seeing. This is how they are repaid.

Justin Madders (Ellesmere Port and Neston) (Lab): My hon. Friend is absolutely right that fire and rehire has been around for a long time, but does he agree that that shows just how weak the current unfair dismissal laws are and how they really need to be strengthened?

Andy McDonald: My hon. Friend is absolutely right. We have had an erosion of protections and rights over many years, and we have to deal with it and review it comprehensively.

This also includes British Airways, whose use of fire and rehire was described by the cross-party Transport Committee as

"a calculated attempt to take advantage of the pandemic to cut...jobs"

and weaken the terms and conditions of its remaining employees, and it deemed this “a national disgrace”. The Leader of the Opposition was right to call for fire and rehire tactics to be outlawed, saying:

“These tactics punish good employers, hit working people hard and harm our economy. After a decade of pay restraint—that’s the last thing working people need, and in the middle of a deep recession— it’s the last thing our economy needs.”

We have repeatedly warned that the practice would become increasingly common, triggering a race to the bottom, and I take no delight in observing that this warning has come to fruition. Research published today by the TUC reveals that fire and rehire tactics have become widespread during the pandemic. Nearly one in 10 workers has been told to reapply for their jobs on worse terms and conditions since the first lockdown in March, and the picture is even bleaker for black, Asian and minority ethnic and young workers and working-class people. Far from levelling up, the Government is levelling down, with nearly a quarter of workers having experienced a downgrading of their terms during the crisis.

Fire and rehire is a dreadful abuse and allows bad employers to exploit their power and undercut good employers by depressing wages and taking demand out of the economy. It is all the more galling when those very companies have had public funds to help them to get through the pandemic. The economic response to the 2008 financial crisis in Britain was characterised by poor productivity and low wage growth. The Government fail to understand that well-paid, secure work is good for the economy, and greater security for workers would mean a stronger recovery. If the Government had listened to the Leader of the Opposition back in September, countless workers could have been spared painful cuts to their terms and conditions, but it is not too late for the Government to act. They can act now to introduce legislation to end fire and rehire and give working people the security they need. If they do that, they will have our full support.

Finally, I turn to the Government’s amendment, in which they say that

“the UK has one of the best employment rights records in the world”

and that the UK

“provides stronger protections than the EU”.

That is simply not the case. The UK ranks as the third least generous nation for paid leave and unemployment benefits out of the US and major European economies. A UNICEF analysis of indicators of national family-friendly policies has the UK at 34th on one index and 28th on another, lagging behind Romania, Malta and Slovakia and just edging ahead of Cyprus.

The Government’s amendment also “welcomes the opportunity” to strengthen protections for workers, but what are the Government doing with the opportunity that they so welcome? What have they been doing on fire and rehire? All we have had is sympathy and hand-wringing, when action was and still is required. Where were they on Rolls-Royce at Barnoldswick? It was Unite the union and the courage and determination of those brave workers that fought to secure their jobs, not this Government. What works best for the UK is what works best for its working people, and undermining their rights and protections does not cut it. Accordingly, Labour will not be supporting the Government’s amendment.

Why did the Secretary of State’s Department embark on this review, and how can it be that his Department has sought responses from companies without the consultation being published? Can he confirm that it is now dead in the water, or does he intend to bring it back at a later date? We were promised an employment Bill that would make Britain

“the best place in the world to work”.

The Opposition would very much welcome a Bill that did exactly that, but given his track record, we have major doubts. Perhaps he can tell the House when we will see that Bill introduced.

From this point on, it is about how we rebuild our country and secure our economy. That objective has to have working people—their interests and their health and wellbeing—right at the forefront. As a bare minimum, that has to include maintaining the basic protections that employees have had up to now and then building on them. Sadly, workers will find no hard evidence of this Government enhancing their rights and protections, but it is what they were promised, and it is what they are expecting, so we will be holding the Government to it.

Madam Deputy Speaker (Dame Eleanor Laing): It will be no surprise to Members to learn that a very long list of people have indicated that they wish to speak. Not everyone will have the chance to do so, but we will begin with an immediate time limit of three minutes for Back Benchers.

7.33 pm

The Secretary of State for Business, Energy and Industrial Strategy (Kwasi Kwarteng): I just want to make something very clear and unequivocal at the outset: we will not reduce workers’ rights. There is no Government plan to reduce workers’ rights. As the new Secretary of State, I have been extremely clear that I do not want to diminish workers’ rights, and on my watch there will be no reduction in workers’ rights. I do not want there to be any doubt about my or the Government’s intentions in this area. The hon. Member for Middlesbrough (Andy McDonald) and the right hon. Member for Doncaster North (Edward Miliband) were kind enough to send me a letter in my first week in the job asking for reassurances on this matter. I am happy to report that I have provided those reassurances, and I am very willing to provide them every time.

We will not row back on the 48-hour weekly working limit derived from the working time directive. We will not reduce the UK annual leave entitlement, which is already much more generous than the EU minimum standard. We will not row back on legal rights to breaks at work. I will say it again: there is no Government plan to reduce workers’ rights.

The Government have managed to have a record that is unimpeachable on this subject. Our manifesto promised, among other things, to get Brexit done and to maintain the existing level of protections for workers provided by our laws and regulations. We have delivered Brexit, and we will not use this new-found freedom to reduce workers’ rights. In any case, as the hon. Member for Middlesbrough said, our higher standards were never dependent on our membership of the EU. The UK has one of the best employment rights records in the world. It is well known that in many areas the UK goes further than the EU on workers’ protections. We have one of the highest minimum

[Kwasi Kwarteng]

wages in the world, and the Government are increasing this again for workers on 1 April, but in the EU there is no requirement to offer a minimum wage or sick pay. In the UK, people get over five weeks of annual leave, minimum; the EU requires only four weeks. In the UK, people get a year of maternity leave; the EU minimum is just 14 weeks. The EU has only just agreed rights to flexible working, over 15 years behind the UK. The Opposition are simply wrong to hold the EU up as the gold standard. Our equalities legislation, and our maternity and paternity entitlements, are already considerably better than the EU's. Now we have left the EU, our Government and Parliament are able to decide what rules should apply and make improvements where we believe there is a need to do so.

Stephen Doughty: Will the Secretary of State give way?

Kwasi Kwarteng: I have to make progress because lots of people want to speak in this debate.

We have already set out plans to make workplaces fairer. Our manifesto contains commitments to create a new single enforcement body for labour market abuses to give greater protections for workers, as well as plans to encourage greater flexible working. It is totally disingenuous for Labour to claim that we do not stand on the side of workers when our manifesto clearly says the direct opposite.

We will not take lectures on employment rights from Labour, because, as I said, our track record speaks for itself. It was a Conservative-led Government who introduced shared parental leave and pay in 2014, giving parents flexibility in who takes time away from work in the first year of their child's life. It was a Conservative Government who introduced the national living wage in 2016, giving the lowest-paid workers the security of a higher wage to provide for themselves and their families. Ten years of progressive Conservative reforms pushed unemployment to a 45-year low. Before coronavirus hit, our employment rate was at a record high, with over 33 million people in work. By March last year, workers across the UK had enjoyed 26 consecutive months of real pay increases, and women and workers from black, Asian and minority ethnic backgrounds made up a larger proportion of the workforce than ever before.

Stephen Doughty: On fire and rehire specifically, will the Secretary of State give way?

Kwasi Kwarteng: I have to make progress.

I know at first hand through my work as Energy Minister the importance of making sure that we have a high-wage, high-protection, high-skilled labour market to ensure that we can deliver the net zero transition and seize the opportunities of the green industrial revolution. The times have moved on. We have a new net zero focus, and clearly high wages and high skills are really at the centre of what we are trying to do as a Government.

That will be more crucial than ever as we rebuild our economy from the devastating impact of coronavirus. From the outset, the Government have acted decisively to provide an unprecedented package of support to protect our workers' and our people's livelihoods. The coronavirus job retention scheme, the first intervention of its kind in UK history, delivers countrywide support

to protect millions of British workers. The scheme has helped 1.2 million employers across the UK to furlough 9.9 million jobs and has now been extended until April 2021.

Enforcement bodies are continuing to protect vulnerable workers and to work with businesses to promote compliance throughout the epidemic. We are concerned about reports suggesting that threats about firing and rehire are being used as a negotiating tactic. We have been clear—

Stephen Doughty: The Secretary of State is speaking about fire and rehire, and his colleague the Chief Secretary to the Treasury told me that those tactics were completely unacceptable. Does the Secretary of State agree with those comments and does he share my concern? In September of last year, I met the chief executive of British Gas about that specific dispute and he tried to suggest that they were not using those tactics, despite having written to members in July to do just that. Does the Secretary of State agree that that is completely unacceptable in our labour market?

Kwasi Kwarteng: I think it is unacceptable. I will go further—as a constituency MP, I have a large number of constituents in Spelthorne who work for British Airways and I spoke directly to the old CEO, Alex Cruz, who has since left the company, and made exactly the points that the hon. Gentleman has just made to me. It is not acceptable.

Andy McDonald: I am grateful to the Secretary of State for his unequivocal indication that he condemns this practice. If that is so, will he legislate to outlaw it once and for all? We will support him if he does.

Kwasi Kwarteng: As I was saying, we have been very clear that this practice is unacceptable and the Under-Secretary of State for Business, Energy and Industrial Strategy, my hon. Friend the Member for Sutton and Cheam (Paul Scully), who is the Minister responsible for labour markets, has condemned the practice in the strongest terms on many occasions in this House. We have engaged ACAS to investigate the issue and it is already talking to business and employee representatives to gather evidence of how fire and rehire has been used. ACAS officials are expected to share their findings with my Department next month and we will fully consider the evidence that they supply.

The House should be left in no doubt that the Government will always continue to stand behind workers and stamp out unscrupulous practices where they occur. The Government have worked constructively with businesses and unions throughout the pandemic to ensure that our workers remain safe and we will continue to do so as the UK looks towards economic recovery. I am proud of the constructive relationship I had with trade unions in my former role as Minister of State for energy and I fully intend to continue in this vein as the newly appointed Business Secretary. I have already reached out to the union leaders and I spoke to the TUC general secretary, Frances O'Grady, only last week.

I want to conclude by reassuring employees across the country that we in Government continue to acknowledge the immense efforts our workers—our workforce, our people—have contributed to the effort against coronavirus. These are unprecedented times, and we fully understand the pressures that we are all labouring under. We will use the opportunities created by leaving the EU to build

back better and maintain a world-leading position on employment rights. The House should be in no doubt that we are the party on the side of the hard-working people of this country.

Justin Madders: In his rather selective recollection of what the Government have done on workers' rights over the past 10 years, the Secretary of State forgot to mention the reduction of consultation periods, the increase of qualifying periods for unfair dismissal and the introduction of employment tribunal fees. Will he mention those things, because they were certainly detrimental to working people in this country?

Kwasi Kwarteng: What I will mention is the introduction of the national living wage—*[Interruption.]* I will also mention the fact that we have doubled the personal allowance, which was at £6,450 when we came to office in 2010 and is now hitting £12,000. We take no lessons or lectures from the Labour party on helping the most vulnerable people in our society. This Government have a proud history of protecting and enhancing workers' rights, and we are committed to making the UK absolutely the best place in the world to work.

Before I open the Floor to other Members for their contributions, I can confirm to you, Madam Deputy Speaker, that the amendment in the name of the Prime Minister will not be moved this evening.

Madam Deputy Speaker (Dame Eleanor Laing): For the avoidance of doubt, the Secretary of State has not moved the selected amendment, as he has just said, and therefore the question before the House remains the question already proposed, as on the Order Paper. We now go to the Scottish National party spokesman, Drew Hendry.

7.44 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP) [V]: Madam Deputy Speaker, a very happy Burns night to you, the staff and everyone else. Could I also welcome the Secretary of State to his place this evening?

Workers deserve our thanks, our respect and our appreciation. Scotland should not have to protect hard-fought workers' rights from the Tories and their Brexit chaos. By renegeing on their promise to protect EU-derived workers' rights, the UK Government would again prove that it is impossible to trust anything the Tories say, especially on Brexit. The SNP is clear that it rejects any regression of workers' protections. However, the Scottish Government's ability to tackle unfair working practices and to fully protect workers' rights remains limited. As employment law is reserved to Westminster, the UK Government must take action.

Madam Deputy Speaker,

"using threats of firing and rehiring is unacceptable as a negotiating tactic".—*[Official Report, 13 January 2021; Vol. 687, c. 293.]*

These are not my words, but the words of the Prime Minister earlier this month, so why is nothing being done to stop this? While the SNP would support any legislation seeking to ban fire and rehire practices, the Bill of my hon. Friend the Member for Paisley and Renfrewshire North (Gavin Newlands)—the Employment (Dismissal and Re-employment) Bill—is available now to do just that, and the Tories and Labour could help us change the law within weeks by backing his Bill.

When my hon. Friend introduced his Bill in June 2020 to ban fire and rehire practices, he wrote to the current leader of the Labour party and the then Tory Business Secretary—incidentally, with nearly 100 MPs co-signing the letter—urging them both to back his Bill. Given that the Labour leader called on the UK Government to "Introduce legislation to end fire and re-hire"—

adding:

"If you do that, you will have our full support"—

surely now Labour must get behind the Bill introduced by my hon. Friend. To quote Burns,

"A mind that is conscious of its integrity scorns to say more than it means to perform."

To my hon. Friend's great credit, he has in fact submitted two Bills to Parliament over recent months seeking to outlaw the practice, which have been backed by all major trade unions, including Unite, the British Airline Pilots Association and GMB Scotland. The current Bill extends workers' rights currently under the Employment Rights Act 1996 to prevent employers from forcing workers to sign up to wage cuts and inferior conditions under threat of dismissal. The simple amendment he proposes to existing employment legislation would benefit millions of people overnight, supporting responsible employers, while making it clear to those with less scruples that these sorts of actions are not permitted in any country across the UK.

The SNP has called time and again for the UK Government either to get behind my hon. Friend's employment Bill or to bring in their own legislation to give millions of workers at Centrica and elsewhere the same protections enjoyed across Europe. We should all be willing to put party differences aside and work together in the interests of workers. The UK Government have a duty to act swiftly and decisively to ban fire and rehire practices. Until this happens, more employers will be encouraged to follow suit. Companies such as British Airways, Tesco and Centrica are the tip of the iceberg, and workers across these isles face unprecedented attacks on their wages and conditions via despicable tactics such as fire and rehire.

As I have said, my hon. Friend has led the charge to ban fire and rehire tactics and ensure that workers are not the victims of bosses looking to cut costs. We will of course listen to the warm words today, but the fact is that the Tories and Labour could help us change the law within weeks by backing the Bill. Let them now commit to action to support that Bill.

Turning to other matters, I think we have all been shocked by the details of the UK Government's shabby and heartless treatment of their own Driver and Vehicle Licensing Agency workforce that have emerged over the weekend. That sets a worrying precedent for the coming months and years in relation to workers' rights.

We have heard from the Secretary of State tonight that he will not be following up the package of deregulatory measures following the UK's exit from the EU. He said that he would not be ending the 48-hour week, and that he would not be tweaking the rules around rest breaks at work, overtime pay or other changes. But, of course, we have heard Tory Ministers make countless empty promises to protect EU-derived workers' protections, and now that we have left the EU there are few who do not believe that they are going to renege on that promise.

[Drew Hendry]

Even if we believed that the Tories were intent on protecting workers' rights—admittedly, that is a big ask—surely they would simply maintain those that were already enshrined in EU law, rather than ploughing ahead with a review and selecting what they want to discover. Despite initially dismissing the reports of watering down rights, the Tory Business Secretary confirmed last week that

“we wanted to look at a whole range of issues relating to our EU membership and examine what we wanted to keep.”

Of course, we can easily read that as the Government keeping the bare minimum that they can get away with.

With each day that passes, the damage being inflicted by the Tories' Brexit deal on businesses and jobs becomes clearer; they have earned zero trust. As with fishing, they have shown that they will break any promise and sell out any group of workers, no matter the cost. As the STUC general secretary Roz Foyer said:

“We are alarmed, if unsurprised, by reports of early attempts to downgrade workers' rights through amending the commitment to the EU Working Time Directive. We will vigorously oppose any attempt to dilute existing rights and are pleased that the Scottish Government, in line with its commitment to Fair Work, supports us in this.”

The SNP and the Scottish Government will continue to work in partnership with trade unions to challenge the UK Government to avoid a race to the bottom when it comes to pay and conditions. As I have said, people in Scotland can see that the Scottish Government's ability to tackle unfair working practices and fully protect workers' rights remains limited while employment law is reserved to Westminster, even though they are doing all they can to embed fair work practices across Scotland. In July 2020, Scotland's Cabinet Secretary for Economy, Fair Work and Culture issued a refreshed joint statement with the STUC, the Convention of Scottish Local Authorities, the Scottish Council for Voluntary Organisations, the Institute of Directors and the Scottish Council for Development and Industry, outlining the sheer commitment to fair work practices in Scotland across the public, private and third sectors.

The Scottish Government also published their fair work action plan last year to drive forward the ambition for fair work to be the norm in workplaces across Scotland. Through their flagship fair work first policy, they are rewarding and encouraging employers to adopt fair work practices by attaching fair work criteria to grants and other funding, as well as to the contracts awarded by and across the public sector. This includes: asking employers to commit to paying the real living wage, not the pretend one that we hear about in the Commons so often; no inappropriate use of zero-hours contracts; and the provision of channels for an effective voice, such as trade union recognition.

Fair work first criteria will be incorporated into the policies and practices of the Scottish National Investment Bank, and are embedded across the enterprise and skills agencies, including the new South of Scotland Enterprise agency. If an anti-worker ideology continues at Westminster, it is vital that powers over employment are devolved to Scotland to allow our Parliament to get on with the crucial job of supporting employment and helping businesses to thrive.

By breaking the promise to protect EU-derived workers' rights, the UK Government will again be proving that it is impossible to trust anything that the Tories say, especially on Brexit. We in the SNP are clear that we reject any regression of workers' protections. The Scottish Government now need the powers to tackle unfair working practices and to protect workers' rights. Employment law should no longer be reserved to Westminster. In the meantime, fire and rehire is an abomination. The UK Government and Members of all parties must now support my hon. Friend's simple but effective Bill to outlaw it.

Scotland has not voted for a Tory Government since 1955. Unlike other parties, the SNP wants to put workers' rights, and all other powers to create a fairer Scotland, in Scotland's hands—not in the hands of Tory Governments we never vote for. Twenty opinion polls in a row have shown that the people of Scotland back that proposition. They must, and will, have their democratic right to choose a better future with independence.

7.54 pm

James Cartlidge (South Suffolk) (Con): May I begin by associating myself with the remarks of the Opposition spokesman, the hon. Member for Middlesbrough (Andy McDonald), about those workers who continue to go to their physical workplace during the pandemic? We should all pay tribute to them and share that noble sentiment. I also congratulate my right hon. Friend the Secretary of State on his promotion to the Cabinet—it is well deserved. I know he will champion business in these challenging times and, in particular, the principles and practice of free enterprise.

We may not be moving the amendment, but I am particularly proud that it contains two words that we did not hear at all from the Opposition: job creation. Let us be clear: no matter what anyone says, there is broad consensus now across the House and the country about keeping the fundamental employment rights we have. Employers are familiar with them, employees understand them and the country generally supports them. However, it would be quite extraordinary, facing the economic pressures that we do, if a Conservative Government did not look at what supply-side reform, including deregulation and cutting red tape, could be brought forward so that we can strengthen our recovery as we eventually come out of lockdown, and there are two key reasons why they should do that.

The first is obviously the strength of the challenge. I am very proud that, as the Secretary of State said, we had the lowest unemployment since I was born in 1974 before we went into the pandemic. However, covid and the action that we have had to take have created inevitable economic pressure, and the impact on jobs will be seismic. In that context, the Government should use every lever at their disposal to strengthen the recovery as we move out of lockdown. That must include looking at what areas can be deregulated, while keeping fundamental employment rights in place.

The second reason is that we have to understand one of the most important assets of our economy. One of the key strengths of UK plc is that we have a flexible labour market. The World Economic Forum and others have recognised that. It is a key factor in why huge multinationals like to invest in the UK, and inward

investment will be a crucial part of our recovery. It would therefore be deeply unwise if we were now to send a message to the rest of the world that we were going to unwind our flexible labour market.

This is about the message we send. If we had a four-day week—it seems that the Labour party is still considering that—there are many who would support it, but the message that that would send is that we were not going to be pro-business or to drive a strong recovery. Instead, the message we should send is that we will look at every single action we can take across Government, in every Department, to prioritise jobs, jobs, jobs and to achieve the two outcomes we must achieve above all else: reducing the risk of long-term scarring from covid to the economy and, most important of all, maximising those two great words—job creation.

7.57 pm

Ms Harriet Harman (Camberwell and Peckham) (Lab): I join the hon. Member for South Suffolk (James Cartledge) in paying tribute to all those who have worked through this covid crisis, and particularly to those in essential services.

I support the motion, and I agree with everything said from the Labour Front Bench: we must have no watering down of hard-won employment rights. However, a new employment Bill is also an opportunity for new rights, which are sorely needed by families in today's world of work. The structure of our current rights was based on the notion of the employed male breadwinner, supported by the wife at home looking after their children. Even if she worked, her primary responsibility was to the children, and she would be supported by her own mother, who would most likely be retired. However, most women now work—many are self-employed rather than employed—and grandmothers, who used to be able to be relied on to step in, are still working.

We have introduced important rights, such as the right to request flexible work, paternity leave and parental leave, but there are glaring omissions, which should be addressed in any future Bill. A man or a woman employee is entitled to paid sick leave, but what if the child is sick? Parents cannot leave a sick child at home on their own. We should back our working parents when their child is sick. Instead, we leave them in the lurch. One parent—usually the mother—has to ring the employer and beg for time off, often to be told she has to take it as holiday or unpaid leave, which is especially hard for low-income families.

In a future employment Bill, we therefore need to give a parent of a primary school-age or younger child who cannot go to school or nursery when they are sick the right to paid leave. Other countries do that. That also needs to extend to grandparents, in case that is who is best placed to take the time off when the child is sick. Many parents rely hugely on grandparents, especially in the first year of a baby's life, so we should factor them into parental leave too. Currently, the mother and the father can share 50 weeks' leave between them. We should make it so that that could be split between, say, the mother, the father and one of the grandparents. The point is to give families the choice.

The Government mentioned having more employment rights for families in their manifesto. That is encouraging, and there will be strong support for that from the

Labour Benches, but also from the Government Benches and, above all, from the Chair of the Women and Equalities Committee, the right hon. Member for Romsey and Southampton North (Caroline Nokes). I welcome the Secretary of State to his new job. If he wants to do some good and make a difference, I look forward to him agreeing across parties to make progress on this.

8 pm

Simon Fell (Barrow and Furness) (Con) [V]: I am very glad to have been called in this Opposition day debate, but I admit some curiosity as to why we are actually having it. The United Kingdom has one of the best records on workers' rights not just in Europe but in the world, and since we have left the EU the Government could not have been clearer: those rights that we have are not going to be downgraded.

In fact, we start from a stronger position on workers' rights than much of Europe already. We have one of the highest minimum wage rates in Europe. We do not just have parity with the EU on sick pay, paternity pay or annual leave; on these issues we exceed the EU by quite some way.

Our policy must be to diverge, but not to downgrade. If we want to attract the best people, businesses and teams, we need to show that we are the best place to live, to do business and to trade. We do not achieve that by slashing workers' rights and making the UK a hostile environment for employees.

It is absolutely right now that we have full control of our laws that the power should rest with Parliament to determine what rules should apply to the UK and how they should be enforced. These next crucial years should be a time when we enhance workers' rights, giving people stability and certainty in the workplace and enabling a high-employment economy where it pays to work. Recovering from coronavirus will mean we need to demonstrate a fresh sense of dynamism and evolve our economy, so that we are able to build back and so that people have the certainty and dignity of a job and the protection afforded within it.

Therefore, it is crucially important, especially now, that we protect those in low-paid work in the gig economy, and I am delighted that we are bringing forward measures to crack down on employers who abuse employment law, whether by refusing sick pay or even just taking their employees' tips. We are scrapping the loophole that allowed some firms to pay agency workers less than permanent staff, and perhaps most profoundly, in a simple change that will make a huge difference to so many, we have extended the right to a day-one written statement of rights to all workers. That simple change details their rights and benefits, meaning over 1.5 million people in the current workforce will have their leave and pay entitlements set out clearly for the first time.

The road to recovery from coronavirus will be very bumpy indeed, but we will not recover at all if we do not look after the workers who turn up every day and who are the engine of our economy. I believe that the Government see just how crucial they are, and I am disappointed, but not surprised, that once again the Opposition would much rather champion headlines than support policies that they know they should be following.

8.3 pm

Ian Lavery (Wansbeck) (Lab) [V]: Is it not totally mind-blowing, in fact utterly grotesque, that during this pandemic the world's 10 richest men have boosted their wealth by over £400 billion—half a trillion dollars—and here we are debating the upcoming Conservative attacks on working men and women, the bedrock of this nation, many of whom have paid a huge price during this pandemic? How many of these people will face a slash to their wages—a cut in their wages, terms and conditions—as a result of new legislation introduced by this Government?

It is crystal clear that key members of this Cabinet see coronavirus and Brexit as a perfect storm for tearing apart workers' rights. Brexit gave this Government the opportunity they have long craved to set a bonfire under workers' rights, and of course the mayhem caused by the virus has only served to fan those flames.

The appointment of the right hon. Member for Spelthorne (Kwasi Kwarteng) to his current position of Secretary of State fired the starting pistol; it gave the green light to the ideological attack on Britain's workers. He has a very well documented and ideological view on the working people of this country. In 2012 a group of newly elected Conservative MPs published "Britannia Unchained", a book that unashamedly claimed:

"The British are among the worst idlers in the world."

They boomed:

"We work among the lowest hours, we retire early and our productivity is poor."

They boomed it loud and clear from the rooftops, including the right hon. Members for Witham (Priti Patel), for Esher and Walton (Dominic Raab), for South West Norfolk (Elizabeth Truss), and of course for Spelthorne, who are now key members of the Cabinet. We need to look very carefully at what they have to say.

We have massive issues with regard to fire and rehire, which has been mentioned before, and I will also mention Heathrow, Barnoldswick, and the GMB action at British Gas. I ask the Secretary of State whether it is not time that British Gas got back around the table with the GMB, and time to stop scoffing at the loyal workforce and outlaw this heinous practice of fire and rehire. We need to ensure that constructive dialogue takes place with the trade unions and the workers in order to make progress.

8.6 pm

Jane Stevenson (Wolverhampton North East) (Con) [V]: Thank you for the opportunity to speak in this debate, Madam Deputy Speaker, and to send my best wishes to those in Scotland and around the UK who are celebrating Burns night this evening.

While I am an ardent supporter of workers' rights, I will be abstaining on the motion this evening. I will briefly explain why: the recent use of these Opposition day debates to fuel hate campaigns on social media has been disgraceful. I welcome Opposition day debates, and I certainly welcome scrutiny of Government, but at this time of national crisis, with so many people worried about their jobs, their incomes and their health, having this type of aggressive political campaigning that seeks to mislead about the views of Members on my side of the Chamber is like pouring petrol on a bonfire. I hope our abstaining will inform people a little bit better about how Opposition day motions fit into the workings of Parliament.

To return to this evening's important debate on workers' rights, I add my thanks to all the workers who have continued to go to work throughout the pandemic to keep our country moving. I believed—probably naively—that the scaremongering on workers' rights being eroded or abolished was just lines from the 2016 edition of the remain handbook, but the Labour party appears determined to perpetuate these myths. I am mystified when people say it was only our EU membership that led to us having workers' rights, or that our membership of the EU was the only reason our workers' rights were maintained. It is simply untrue.

To list a few of the really positive changes the Government have made, they have increased the reference period for calculating holiday pay to ensure greater fairness for those with variable working hours, scrapped the Swedish derogation to ensure agency workers are fairly treated and fairly paid, and required all workers to be given a written statement of their rights by their employer on day one. We estimate that 1.5 million people now have their rights set out clearly for the first time—this is such an important change, and I welcome it. I also welcome the strengthened protections for parents who tragically lose a child. While we all hope those rights are never needed, I commend the Government on having them in place when people are having such a horrific time.

Many people want to speak in this debate, so I will end by welcoming the words of the Secretary of State on ensuring that our workers' rights are protected and making clear that we have no plans to erode them. I also welcome his commitment to investigate abuse of fire and rehire tactics, and look forward to his future work in this area.

8.9 pm

Vicky Foxcroft (Lewisham, Deptford) (Lab) [V]: As a former trade union official, I am very grateful for the opportunity to contribute to this debate. In the short time I have this evening, I would like to touch on the importance of workers' rights in ensuring a happy, productive and innovative workforce.

As we have already heard, Ministers stated on a number of occasions that Brexit would enhance rather than weaken the EU-derived employment rights UK workers currently benefit from. Yet here we are less than one month after the end of the transition period and those rights are already under threat. If the proposed changes go ahead, they will likely lead many people, including the key workers Ministers have been clapping during the pandemic, out of pocket and working even longer hours.

Trade unions have a key role to play in all this. Employers want a motivated and productive workforce. Unions want their members to be treated fairly and to be able to participate fully in the workplace without compromising their family lives or general wellbeing. Longer working hours and changes to rest breaks will likely lead to a decrease in efficiency and an increase in sickness. The exclusion of overtime from holiday pay entitlement calculations will lead to employees feeling undervalued and resentful. And this is before we even start to consider employees who might need other support or reasonable adjustments.

Having strong employee rights and absolute clarity around those rights means that employees and employers alike can plan their time more effectively, work at a sustainable pace and help to nip causes of resentment and conflict in the bud. It does not take an employment rights specialist to understand that happy and fulfilled employees are much more likely to not only fulfil the basic requirements of their jobs, but to innovate and create positive change.

In October 2019, the right hon. Member for South Northamptonshire (Andrea Leadsom), the then Business Secretary, said in this Chamber:

“As we leave the European Union, we have a unique opportunity to enhance protections for the workforce and tailor them to best support UK workers.”—[*Official Report*, 29 October 2019; Vol. 667, c. 205.]

I will finish by asking the current Secretary of State why his Government are not using this opportunity to strengthen those protections, rather than to reduce them. If he remains unconvinced, perhaps he should speak to some of our colleagues in the unions.

8.12 pm

Dr Jamie Wallis (Bridgend) (Con) [V]: I refer the House to my entry in the Register of Members’ Financial Interests.

Now that we have left the EU and regained full control of our laws, it is absolutely right that Members in this place have the power to debate and decide what works best for the UK, and therefore which rules should apply, including on things like business growth, innovation, job creation and, of course, strengthening protections for workers. I was pleased to hear Ministers reaffirm, as they have time and again, the Government’s commitment to not lowering the standards of workers’ rights. Despite the scaremongering from the Labour party, this country goes further than EU minimums on workers’ rights, such as on paid leave, maternity leave and entitlement to sick leave, among others.

Moreover, under this Government the national living wage is set to increase again to £8.91 an hour from April 2021. This means about £345 extra per year for someone working full time. For the first time, more young people will be eligible for the national living wage, as the age threshold will be lowered from 25 to 23. Helping the low paid, improving access to opportunity, and encouraging innovation and growth is what the Conservative side of the House continues to fight for. That is why in our 2019 manifesto we committed to raising workers’ rights and standards, including new protections for workers, while preserving the dynamism and job creation that drive our shared prosperity. That was an election, of course, in which this Government received the overwhelming endorsement of the British public. It is a pledge I know the Government are committed to maintaining.

In my experience the best way to improve conditions for British workers is to have low unemployment in a free market, accompanied with targeted and direct investment in skills and training. That must be the case, and even more so as the covid-19 pandemic continues to disrupt our daily lives and our economy. As well as a sustained period of record lows of unemployment, this Government have gone further to protect and safeguard jobs by investing world-leading amounts during the pandemic and saving jobs with the furlough scheme, the

self-employment income support scheme and a multitude of measures aimed at keeping businesses going during the pandemic. On low pay, on job creation, on lowering unemployment, on creating opportunity and on maintaining and enhancing workers’ pay and conditions, it is this Government that have the record to be proud of, and it is this Government that will make a success of Brexit for hard-working British people such as those in my Bridgend constituency.

8.15 pm

Clive Efford (Eltham) (Lab) [V]: I wish to speak in favour of the motion in the name of my hon. and right hon. Friends. I declare at the outset that I am a member of the GMB and Unite unions.

The fact that the Government have consulted businesses on these changes shows that there is an outdated attitude towards industrial relations and workers’ rights at the heart of the Government. Good employment law protects the good employers from the bad. Employees are people; they are not tools that can just be laid aside on the whim of an employer. People have lives to lead, bills to pay, mortgages and rent; many of them have families that they need to support—to feed, to clothe and to plan holidays with. A contract of employment is a way of being able to plan ahead with security for those things. The terms should not be changed just on the whim of an unscrupulous employer.

Creating a culture where workers feel insecure in their jobs undermines the economy; it makes them less likely to spend money or to take out loans for bigger items. Creating such an environment is not just immoral but self-defeating, and attitudes need to change. Businesses need to understand that they need to act for the common good. It is no longer good enough for them to hide behind the fact that they are serving shareholders and to say, “This is why we are forced to rape the economy or pay poverty wages,” and fail to protect workers’ rights.

The covid pandemic, climate change and the state of the global finances make it imperative that we all work together for the common good. The solution is not to enfeeble workers or trample on their rights, yet companies such as British Gas and British Airways are telling their workers that they will be sacked and rehired on worse conditions. Those are hardly the British values that we want to promote globally.

British Gas/Centrica is sacking 20,000 of its workforce. It is telling them that they must sign new contracts dictated by the company or consider themselves to be sacked in April. Doing that at the time of a pandemic is grotesque. Centrica as a group had an operating profit of £901 million for 2019. In the first six months of 2020, the operating profit of its domestic heating business in the UK was £229 million, up 25% on the same period the previous year. Why are the workers who delivered that being treated so appallingly by that company?

I met workers from British Gas. Between them, they have many years of service to the company; some are the second or third generation in their family to work for British Gas. They are proud of the company that they work for; they value the jobs they do and the customers they serve.

Madam Deputy Speaker (Dame Eleanor Laing): Order. The hon. Member has exceeded his time.

8.18 pm

Mick Whitley (Birkenhead) (Lab) [V]: I would also like to declare that I am a member of Unite the union and was previously a regional official.

From the 10-hour day campaign in the 19th century through to the campaign for a 35-hour week in the engineering industry in the 1990s, the struggle to protect workers from exploitation and exhaustion has been part of the trade union movement's DNA. When the current working time limits were first introduced, I was a convenor on the factory floor at the Vauxhall car plant in Ellesmere Port. I saw at first hand how those reforms improved the lives of people working in some of the most challenging and hazardous conditions imaginable—quite literally, cutting hours saved lives. Now those fundamental rights are under threat, and while I am no longer a union officer, I am privileged to be able to speak in their defence in the Chamber today.

The revelation that the Business Secretary is reviewing the working time directive is a matter of great concern. It threatens my constituents, for whom secure and well-paid work is already in short supply, as well as millions of workers across the country. The Government's intent to take a wrecking ball to the hard-won gains of the labour movement, such as the 48-hour working week limit, holiday pay and rest break entitlements, is clear. The Prime Minister's pledge that workers' rights would be "higher than ever before" following our departure from the EU is exposed as yet another empty promise.

We should not be surprised. Many Government Members have long seen Brexit as a vehicle to attacks the rights of workers and the trade union movement. In 2012, the Secretary of State joined other senior Members now in the Cabinet in slandering British workers as being "the worst idlers in the world"

and advocating a ruinous programme of deregulation and privatisation that would condemn workers' rights to the dustbin of history. The fact that the new Secretary of State has chosen now to review workers' rights shows how deeply out of touch the Government are with the mood and needs of the country. Instead of stepping up support for the millions of people who are still struggling desperately to make ends meet, including the nearly 3 million taxpayers yet to see a penny in financial support, this Government have instead frozen key worker pay, look set to cut universal credit and now want to undermine employment rights.

Let us be clear: diluting workers' rights will do nothing to address the economic catastrophe we face. It will only compound the suffering and misery of the millions of British workers already suffering in-work poverty. As I speak, GMB members at British Gas are engaged in the most significant industrial dispute in the sector's recent history. Their experience should serve as a potent reminder to every Member in this House that too many workers are still denied basic respect and security in the workplace. While British Gas employees have worked tirelessly during the pandemic to keep our homes warm and connected, their employer is cynically using fire and rehire tactics to cut pay and working conditions.

8.21 pm

Matt Vickers (Stockton South) (Con) [V]: I must start by saying that I am slightly confused as to how the Opposition have concluded that UK employment rights

are an area of weakness in which to attack the Government. So far, aside from the usual baseless scaremongering, I still have not heard much in the way of common sense, fact or understanding. The United Kingdom has one of the best records in workers' rights in the world, going further than the EU in so many areas. As the Government have stated time and again, that is not going to change.

Now that we have left the EU and regained full control of our laws, we can use this historic moment to enhance workers' rights, not row back on them, ensuring that we can be a high-wage, high-employment economy that works for everyone, as we do right by the millions and millions of people in this country who work hard, get on and do the right thing.

I think all in this place can agree that the global pandemic has changed almost everything in daily life, including the world of work. Perhaps at no other stage in any of our lifetimes has it been more crucial that we stand shoulder to shoulder with the workers, grafters and go-getters who knuckle down and get on with it—the hard-working people of this nation who can turn sparks of inspiration into the tangible outputs of a dynamic economy.

To take politics out of it, all of us in this place and all well-run businesses know that providing employees with safe, secure and rewarding work environments is the way to get the best out of them. The package of measures we will maintain and strengthen builds on some of the best examples of good practice that are already in Britain's best businesses. Before I got into politics, I saw a whole range of workplaces: I pulled pints, laid bricks and shovelled pick 'n' mix at Woolworths. I saw how a workforce that is *tret well* is a workforce that goes above and beyond to deliver results.

When it comes to workers' rights, this nation is a world leader in countless areas, particularly when compared with the EU. For example, the EU has no requirement for a living wage. Here in the UK, it will be £10.50 an hour from 2024. The EU has no minimum requirement for sick pay. Here in the UK, it is 28 weeks. The EU's minimum standard for maternity leave is just 14 weeks, compared to 52 weeks here in the UK. The EU's minimum annual leave requirement is just 20 days, compared with a minimum of 28 days in the UK. Then there is the right to flexible working for all employees, on which this nation has led the way, and it has made a huge impact on the quality of life for so many families in my constituency and across the country. We introduced it and have maintained it in the UK since the early 2000s. The slow, glitchy and creaky EU agreed rules on it very recently, and it will offer the rights only to parents and carers.

I believe that one's true character and nature is seen when the chips are down and crisis strikes. Even their staunchest critics would have to concede that this Government have stepped up. They know on what side their bread is buttered. When it comes to supporting businesses and workers, whether that is by taking unprecedented action to protect jobs and livelihoods across the UK—

Madam Deputy Speaker (Dame Eleanor Laing): Order. The hon. Gentleman has exceeded his time, and I have to be strict, as so many people are waiting to speak.

8.24 pm

Tonia Antoniazzi (Gower) (Lab) [V]: Today is the Welsh Valentine's day, so I wish all key workers and everyone in the Chamber dydd Santes Dwynwen hapus.

So here we are, and what I am listening to is absolutely disgraceful. Workers in this country are facing the biggest crisis in generations, yet the Government have decided to strip away the rights of those key workers who are keeping this country going, and we know that those with low paid jobs are going to lose out the most. Managers, directors and, yes, even Members of Parliament like us will not be the big losers in any erosion of employment rights. It will be those on zero-hour contracts, those at the beginning of their careers and, as usual, women who will be disproportionately affected.

The Prime Minister proudly told us that he would not do anything to undermine workers' rights, yet here we are facing a shake-up of the protections that are in place to defend workers and consumers from unsafe situations. Earlier this evening, I heard the Secretary of State say that his Government's record stood for itself. Well, if we want to catch a glimpse of what we can expect from this Government, we need look no further than how they treat their own workers—yes, their own civil servants at the DVLA offices in Swansea. During the first lockdown, my office was contacted by numerous constituents complaining that they had family members shielding and they were at high risk themselves, but during this lockdown the situation has escalated. Since September 2020, 535 cases of covid-19 have been recorded among DVLA staff, sparking an outbreak in the call centre that has been declared an incident across all other sites of the DVLA.

I have been inundated with calls since the news broke on a weekend, and before. Many people are petrified of going into work there, but they have all asked for anonymity because they are scared of a backlash from senior management if it is found out that they have complained. This is the senior management team that would not engage with the local health protection team. It is incredible that a formal notice under regulation 8 of the Health Protection (Coronavirus Restrictions) (Wales) Regulations 2020 had to be given in order to get the DVLA management to co-operate with the incident management team. Even this evening, I am receiving messages about this. This is utterly shocking behaviour from one of the biggest employers in Swansea, and that employer is this Government. This is a Government agency that is treating its staff in a wholly unacceptable way. That is unacceptable, but thanks to the First Minister in Wales, the PCS and other agencies, it is being dealt with—

Madam Deputy Speaker (Dame Eleanor Laing): Order. The hon. Lady has exceeded her time. I am wondering whether people who are participating virtually know that there is a clock on their screen. I hope that they can see it, because three of the last five speakers have spoken past their three minutes. I hope that the system is working. If by any chance it is not, I hope that someone will tell the broadcasting team.

8.28 pm

Afzal Khan (Manchester, Gorton) (Lab) [V]: May I first declare that I am a member of Unite and the GMB trade union? Workers in Manchester and up and down

the country are currently preoccupied with negotiating the coronavirus pandemic, trying to stay safe and well, caring for their children, fulfilling their working responsibilities and keeping businesses afloat while the Government are debating how best to rip up hard-won workers' rights in post-Brexit Britain. The Minister says that no workers' rights will be reduced, so can he confirm that the Government will not abandon the cap that prevents people from working more than 48 hours a week, and that they will not take any steps to undermine the entitlement to paid holidays or rest breaks at work?

Years of repeated assurances from the Government about their intention to protect and even strengthen workers' rights after Brexit have now been revealed to be utterly meaningless. Many of the workers who will be affected by these changes are the same key workers that the Minister was so keen to clap for in the summer. Working people in my constituency have been to hell and back over the past year. They have made immense sacrifices and put themselves and their families at risk and yet this Government think that they have too many rights.

The motion also calls on the Government to end the abhorrent practice of fire and rehire, which has been used to threaten workers across the country, dismissing employers only to re-employ them on less favourable terms. This current environment means that working people are effectively paying for the economic impact of the covid-19 crisis. In Manchester, GoNorthWest is pushing ahead with its threat to fire and rehire bus drivers on new contracts. This will result in a 10% reduction in the number of drivers employed, an increase in unpaid working hours, and drivers' conditions slashed.

Meanwhile, thousands of British Gas workers are being threatened with fire and rehire by the parent company, Centrica. Unions, including Unite and GMB as well as others across the country, are fighting this threat of fire and rehire and I thank all of them for their commitment and determination to protect working people during this difficult time. The Government could step in and stop this disgusting practice today, but instead they have chosen to tear up these rights. Weakening workers' rights in the midst of a global pandemic and with the UK suffering the worst recession of any major economy is deeply unfair and reveals much about this Government's priorities.

8.31 pm

Laura Farris (Newbury) (Con): I am grateful to have the opportunity to talk about fire and rehire practices, which have been a source of enormous stress to many of my constituents. The Opposition asked the Government tonight to enact new law without any acknowledgment of what the common law currently says. When the Employment Appeal Tribunal considered the practice of fire and rehire in 1990, it said that

“you simply cannot hold a pistol to somebody's head and say, ‘henceforth you are to be employed on wholly different terms’”

and remunerated at 50% of your contract. In those circumstances workers have a right to bring a claim for unfair dismissal, which the Court of Appeal later confirmed they have even if they take the new terms so long as they make it clear they are working under protest, and of course the tribunal can always order reinstatement at previous pay. The only way that an employer can get away with fire and rehire is by showing that there was a genuine business reason for their action. Here, I think,

[*Laura Farris*]

there is a vulnerability. We know that, after covid, many businesses will be able to show a fall in profitability as a way of justifying poor employment practice, but the answer, respectfully, is not to enact new laws, but to enhance the powers that already exist, for example, of employment tribunals to test the functionality of the business reason that is advanced.

The other elements in the motion on holiday pay, working time and rest breaks all have their provenance in the Employment Rights Act 1996, which, of course, is Conservative legislation. The Opposition argue that this Government threaten the right to include overtime in the calculation of holiday pay. That was only decided on in 2014 by the Employment Appeal Tribunal. It looked back at the working time regulations 1998 and found that workers should have had overtime in their holiday pay all along and, what is more, they had suffered an unlawful deduction from wages as a result of that. For 12 years of a Labour Government, British workers were short-changed in their holiday pay and that Government did nothing to close that loophole, so forgive me when I say that it is surprising to hear that it is we on this side who are threatening that particular right.

That is my overall concern about this debate. I am concerned that the Opposition are not really interested in confronting the real challenges facing the labour market because they are too busy fighting the battles of yesterday. What do the Opposition say, for example, about automation, which the ONS says threatens 1.5 million jobs in this country over the next few years? We on the Conservative Benches may not have all the answers, but at least we are doing the thinking and asking the right questions—for example, with strategies such as the lifetime skills guarantee to build dexterity and resilience in the labour market. We are coming up with creative, progressive solutions for the issues that lie ahead.

8.34 pm

John McDonnell (Hayes and Harlington) (Lab) [V]: I suggest to the hon. Member for Newbury (Laura Farris) that perhaps she should read some of the Labour party's policy papers on automation and a range of other subjects.

I was not shocked to learn that the Tories were reviewing trade union rights—it is what Tory Governments do every time they are elected. I was also not surprised that the so-called review of rights is to be undertaken by a body comprising several notorious anti-trade union employers. Nobody can trust this process and nobody can trust the assurances this evening from the Secretary of State, a man who has spent his life threatening trade unions and employment rights.

If any Member believes we have the best employment protections on the globe, as we have heard, I urge them to look at how my constituents who work at Heathrow airport are being treated by their employer, Heathrow Airport Ltd. I remind colleagues that when at the beginning of the pandemic many Members were desperately seeking to have their constituents repatriated, it was my constituents at Heathrow who worked throughout to keep the airport functioning to enable their return. The reward from their employer has been that all 4,000 workers have been fired and hit by forced rehire on vastly inferior contracts, with wages cut by 25%—£8,000—without any chance of protection in law, contrary to what the

hon. Member for Newbury said, because the company has ridden a coach and horses through the existing legislation.

While Heathrow management argues in court for a third runway on the grounds that aviation will soon return to normal, elsewhere it is using the pandemic to impose cuts in wages and terms of employment. Unite the union offered a deal that would enable temporary measures to be put in place to save money until the airport returns to normal, but it was rejected by the company. Heathrow Airport Ltd has a record of borrowing to pay massive dividends and high director salaries but paying little in tax, and it is also now using traditional strike-breaking measures.

Industrial action is starting again at Heathrow. Unite members in the Uxbridge constituency have not had a word of support from their local MP, but let me send them my message of support and solidarity. If this Government want to reassure us about their employment credentials, they can confirm tonight that they will legislate to close the loopholes in the existing law with regard to fire and rehire; they can condemn Heathrow Airport Ltd for the treatment of its employees; and, yes, Ministers can join me in sending a message of solidarity to the strikers at Heathrow.

8.37 pm

Julie Marson (Hertford and Stortford) (Con) [V]: Here we are again: another Monday, another Opposition day motion based on one newspaper report and framed to satisfy Labour's endless search for social media attack ads. I speak as the proud granddaughter of a docker, from a working family. The Secretary of State has made it crystal clear that the UK does indeed have one of the best employment rights records in the world—one to be proud of, never dependent on the EU and frequently stronger than the EU's. Our manifesto commits us to maintaining existing protections for workers and we will embrace the opportunity to decide which rules work best for the UK—those that encourage business growth, innovation and job creation.

The Government not only commit to maintaining existing workers' rights but look to the future—a future in which we need to ensure that those same workers enjoy all the opportunities of an agile and dynamic jobs market. I have said it in this Chamber before and I do not hesitate to say it again: the heroes of our health crisis have been the incredible doctors, nurses, care workers and key workers. The heroes of the economic crisis will be the job creators, innovators and entrepreneurs who will create the high-growth jobs of the future. They need a Government who will prepare the best pitch for them, focusing on jobs, skills and working conditions fit for the 21st century. The working environment is changing at pace as we speak. Tens of thousands of people are working remotely from home, which raises new issues. To what extent should employers be able to constrict workers' homes as workplaces? To what extent should employers be able to monitor employees? How can we protect workers against potentially overbearing, all-encompassing technology? How can we scale up innovation and skill our workforce to deliver the green technology of the future?

The Labour party does not have any answers. The Labour party is permanently rooted in the 1970s. It has just confirmed that it is considering a four-day week.

Labour Members recently stood on a manifesto that aimed to nationalise energy, mail, water and transport and even establish a state drugs company. While Labour wants to turn the companies that delivered our life-saving vaccines into the Trabants of the pharmaceutical sector, this Government will care for the future of work and the future of workers.

Mr Deputy Speaker (Mr Nigel Evans): For the convenience of the House, I should inform you that the winding-up speeches will begin at 9.40 pm with Ed Miliband, followed by Mr Paul Scully at 9.50 pm, and the Question will be put at 10 pm.

8.40 pm

Hywel Williams (Arfon) (PC) [V]: This Government, like all Tory Governments, have an obsession with the supposed need for deregulation. It is not just a reasonable concern with promoting what works, while respecting and protecting employees—were it just that, we would not be here tonight. Rather, it is an article of faith and impossible to disprove to the true believer. We have some sensible, proportionate, humane regulation of work, but it is not sufficient, and there is the possibility of an individual member state opting out. The UK, even while in the European Union, was the member state making the most use of that opt-out provision. Still, the true believers say it is not enough; Opposition Members are protesting too much, and the Government have no plans to reduce workers' rights. But we must measure the value of this Government's word against their dire real-world performance—the promises made, the reassurances given and the piffle deployed. By that measure, reality is already trumping bluster, so anyone but the true believer would be naive to take them at their word.

I would be happy enough to be proved wrong, of course. The review, now apparently abandoned, might have given my constituents in low-paid, insecure extensive and intensive jobs some relief. I share their concern for protecting the working time directive, the right to paid annual leave, proper breaks from work and all the rest of it, and protection from fire and rehire. If, however, this abandonment is in fact just a tactical pause, may I suggest a few topics for a future review? It might consider why the UK is not following the international trend towards lower working hours. It might look at how many low-paid workers in insecure, long-hours jobs are also doing another job, just to make ends meet. It might consider why parental leave is so insufficient, or it might assess the contribution of breaks, minimum rest periods and leave from work to promoting productivity and preventing employee burn-out.

It might consider those things among a host of other matters, so as to achieve the Secretary of State's stated aim of a "really high standard" for workers, but I am not confident that a review by this Government would address those important matters. Rather, this looks like a side-step towards the real aim: that of creating a low-wage, low-regulation, free-for-all economy where the cats are truly fat and weakness is a licence to exploit.

8.43 pm

Mark Eastwood (Dewsbury) (Con) [V]: I start by welcoming the Secretary of State to his post. We have some of the highest standards of workers' rights in the

world, and I strongly welcome his assurances that those will not be lowered. However, the pandemic has exposed unsettling practices, including some employers using digital surveillance software to track their employees' homeworking. The most high-profile software used for that purpose was Microsoft's productivity score, which allowed employers to track users' activity. While that has since been adjusted to hide individual data, it is clear that other pieces of software could easily fill the gap.

I know from personal experience how distressing this sort of probing from employers can be, albeit in a more analogue fashion. At one stage in my career as a successful sales manager, after my commission was cut, I entered a period where my sales performance slipped. That prompted my employer to take monitoring to a concerning level. A tracker was placed in my car. I constantly received phone calls demanding updates. I received regular, aggressive emails, and I was summoned to meetings. The entire episode was unpleasant and intrusive. It felt like an invasion of my privacy, and as though I was being deliberately bullied out of the company.

To my employer's surprise, however—and, I imagine, to the surprise of some hon. Members—I was a member of the trade union Prospect. Thanks to its help and attendance at meetings, we arrived at a resolution. By that point, the relationship with my employer had become untenable, and I moved to a direct competitor, Teal HealthCare, part of the Senator Group.

Teal was a dutiful employer, which allowed me the freedom to excel at my job again. It paid me until I was elected. I refer Members to my entry in the register of interests. It was incredibly supportive when I became an MP, and I thank Teal and the Senator Group for their backing, and Prospect for helping me through a difficult period. Ironically, after moving to Teal, I helped to win the biggest contract awarded in the sector, in direct competition with the employer that drove me out—he who laughs last.

The important point, however, as digital monitoring begins to appear more attractive to employers, in particular if some seek to adopt remote working patterns after the pandemic, is that that approach can backfire. Used properly, performance monitoring is a vital tool for managers to encourage progression and to resolve workplace issues to the benefit of the firm and of the employee. However, clearly there is a distinction between monitoring performance on the one hand and monitoring activity on the other. I hope that employers reflect on that.

Finally, I strongly recommend that anyone in a professional environment—

Mr Deputy Speaker (Mr Nigel Evans): Order. Sorry, Mark, you just ran out of time there.

8.46 pm

James Murray (Ealing North) (Lab/Co-op): I am speaking today as a proud and long-standing member of Unite and the GMB. I have received support as set out in my entry in the register of interests.

Over the past nine months, we have seen the shameful tactics of fire and rehire used to hit workers in the middle of a pandemic and in the worst economic crisis in 300 years. The inaction of this Government as that has happened has been inexcusable.

[James Murray]

Six months ago, I spoke in this Chamber to raise the case of a constituent of mine who had started working for British Airways more than 20 years ago, and who faced losing their job or being rehired on worse pay and terms than when they had started. Despite having taken hundreds of millions of pounds of Government money intended to protect workers' jobs, British Airways laid off more than 12,000 staff altogether, while pushing ahead with plans to fire the rest and to rehire them on worse terms and pay.

At the time, I warned that if the Government let British Airways get away with that, we would see other companies following the same shameful path. That is exactly what happened. Workers at Heathrow airport were forced to take four days of strike action last month over plans to fire the entire 4,000-strong workforce and to rehire them on inferior contracts, resulting in pay cuts of up to £8,000 a year. They are due to walk out again in February. As I said when I attended their rally—organised by Unite—with my neighbours, my right hon. Friend the Member for Hayes and Harlington (John McDonnell) and my hon. Friend the Member for Feltham and Heston (Seema Malhotra), I will stand by them throughout their dispute.

Likewise, British Gas has now announced its own fire and rehire scheme. The GMB is leading the fight against changes to terms and conditions covering the 20,000-strong UK workforce, including pay freezes and changes to working hours. Engineers who refuse to sign will lose their jobs at the end of March.

Fire and rehire is immoral and should be banned. Today's motion seeks to outlaw those tactics, and to protect holiday pay entitlements and the right to work no more than a 48-hour week. The Prime Minister promised that, after leaving the EU, our standards on workers' rights would be higher than ever before. Members on the Government Benches have the chance to prove today that that is a promise they intend to keep.

8.48 pm

Lee Anderson (Ashfield) (Con) [V]: For the Labour party to decide on our employment rights, it first needs to win a general election. The good news is that the British working classes will not allow that; they do not trust Labour.

The United Kingdom has one of the best records on workers' rights anywhere in the world, but of course the Labour party is still bitter about us leaving the EU. It does not think that our elected MPs should have the power to decide what rules apply in the UK. It is the policies of the Labour party that threaten workers' pay and conditions. It wants to keep people on benefits and flood the workplace with cheap labour, through free movement. How does that help the British worker? It does not.

Our new Business Secretary has been very clear: we are not going to lower the standards of workers' rights. Why would we? It makes no sense at all. Even the Mayor of London, who gets most things wrong, got it when he said there was no evidence for Labour's claims that workers' rights would be eroded after Brexit.

However, I think we should always look at strengthening employment rights, especially when some workers are being exploited by people who, quite frankly, should know better. Let us start with the Labour party. During the 2015 election, I recall that security guards at Labour's

offices were being paid less than the living wage, despite the Labour party being an accredited living wage employer. I am not quite sure who the Labour party leader was at this time, but perhaps the Minister could remind the House when he sums up.

In 2018, four Labour Front Benchers advertised jobs in their offices for below their own £10 an hour living wage pledge. It is total hypocrisy: they say one thing and do another. They say they are against private schools, yet send their own kids to private schools. They say they want better workers' rights, yet fail their own employees.

In a nutshell, we have some of the best protections in the world, and I am confident that this Government will go much further. Meanwhile, I predict that the Labour party will slide much further back, as the real workers in this country are sick to death of hearing them moaning all the time. Now, I have done my time, done my graft, done my shift down the pits, but what do they really know about workers' rights? Absolutely nothing, because most of them have never done a proper day's work in their lives. Thank you, Mr Deputy Speaker; that's me done.

8.51 pm

Richard Burgon (Leeds East) (Lab) [V]: A few years ago, a number of free market extremists published a book claiming that British workers

“prefer a lie-in to hard work”,

slandering them as

“the worst idlers in the world”

who

“work among the lowest hours”.

One of the authors is now the Foreign Secretary, another the Home Secretary, another the International Trade Secretary, and another the new Business Secretary, who has established a new, 30-strong panel of business leaders to discuss changes to workers' rights. Len McCluskey, the general secretary of Unite the union, is right to warn the Government against refusing to engage with the trade unions on the same basis.

These authors turned Cabinet members would all proudly call themselves Thatcherites, and they now want to use both Brexit and this current economic crisis to drive back workers' rights—a chance to deliver Thatcherism 2.0. Unemployment is set to soar. Millions will be thrown further into poverty and debt. The Conservative party views that not as a crisis but as an opportunity—a chance to exploit people's vulnerabilities and their fears of not being able to feed their children—to force them into ever-worse working conditions.

With fire and rehire as a blueprint for the economy, one in 10 workers already affected and a race to the bottom, who will benefit? For over 40 years, ever since Thatcher set about smashing the trade unions, the share of the cake going to workers has been getting smaller. In 1976, wages made up 64% of GDP; the figure now is only 54%. That is a huge transfer from workers to line the pockets of the already super-rich. That is why poverty is up. That is why people find themselves working harder and harder just to stand still. More attacks on workers' rights will make it even harder.

We will hear denials from the Conservative party that it plans to dilute workers' rights. It has a chance to show that it has no malintent, by backing Labour's motion that opposes fire and rehire and protects rest breaks at work and holiday pay entitlements. Given that the Tories

like to claim that they are now the party of workers, they should go even further by giving everyone full rights at work from day one on the job, banning zero-hours contracts and reintroducing sector-wide collective bargaining. Sadly, such change will have to wait for a future Labour Government.

In the meantime, let us be absolutely clear. If the Tories try to proceed with a bonfire of workers' rights, they will have one hell of a fight on their hands. I salute the trade unions taking part in that fightback. I urge the Government to think again.

8.54 pm

Antony Higginbotham (Burnley) (Con): Today, we have seen the Labour party do its typical thing for Opposition day debates—roll out its spin machine, this time to cling on to EU regulations by the back door, rehashing lines from the remain campaign—but we can all see through it. My constituents do not want to hold on to EU rules and regulations. What they want is a high-wage, high-skill, high-standard economy: high wages by introducing a new immigration system that ends the practice of people being brought into the UK to undercut our workforce; high skills by using schemes such as kickstart, the lifetime skills guarantee and the new skills for jobs White Paper; and high standards, reflecting the clear commitment from the new Secretary of State for Business, Energy and Industrial Strategy who said at the Dispatch Box that there will be “no changes” to workers' rights in the UK.

We have some of the best standards in the world for workers—there will be no change. What are those standards? We have 28 days of annual leave in the UK, compared with a requirement of 20 in the EU. Parental leave allowance stops for a child of eight in the EU but at 18 in the UK. Maternity leave is paid for 39 weeks in the UK, but for only 14 weeks in the EU. However, protecting UK workers means more than just these rights; it is about making sure that people get a decent wage for the work that they do. Again, it is the Conservative party—MPs on this side of the House—that is committed to making that happen. It is this Government who have cracked down on employers not paying the national minimum wage. It is this Government who have increased the national minimum wage by more than 50% since 2010, and there is 20% more to go before 2024.

Let us not forget that when Labour were in Government, they scrapped the 10p tax bracket, hitting those on the minimum wage. That is not protecting British workers. Let us put that into pounds—under the Labour party, when it left power, someone earning the minimum wage and working full-time would pay £815 a year in tax. Today, someone on the minimum wage working full-time pays £672 in tax. Take-home pay has increased from £767 under Labour to £1,200 today, so the Labour party might want to talk about protecting workers but in reality it means nothing of the sort. It wants to tie us to EU rules in perpetuity, dismantling our flexible workforce. We need to recognise the protections we have, recognise the measures that we have taken and continue to build a flexible, highly skilled and well-paid workforce.

8.57 pm

Rebecca Long Bailey (Salford and Eccles) (Lab) [V]: I declare my membership of Unite the union. We all clapped our essential workers last year as they put their lives at

risk to keep our country going, but many of them—bus drivers, shop workers, and energy and transport workers—were sadly repaid with the spectre of fire and rehire.

I am informed that nearly 500 Greater Manchester bus drivers at Go North West are potentially facing fire and rehire. This would see a 10% reduction in the number of drivers employed, an increase in unpaid working hours and conditions for drivers slashed. Their trade union, Unite, insists that the firm is using the pandemic to force through changes that it started to develop in 2019, long before covid. The company stressed a desire to make efficiency savings in the business, and I am told that concessions were subsequently outlined by trade union officials. A pay freeze in 2020 was agreed and this, along with driver turnaround and other suggestions regarding lowering overheads, brought considerable projected savings beyond the original amount desired. However, I understand that despite this, changes to drivers' contracts of employment, a flexible working agreement and a pay agreement are still being demanded. Sadly, Go North West withdrew from collective consultations a week ago. This is no way to treat workers, let alone those who have put their lives at risk in this pandemic. Indeed, the Office for National Statistics highlighted today that bus drivers are an occupational group with raised rates of covid-19 deaths.

Unite is demanding that Go North West immediately suspends the threat of firing and rehiring these workers and returns to the negotiating table, and I agree, but the Secretary of State can play his part too. He can urgently outlaw such fire and rehire tactics. He can amend the Employment Rights Act 1996 to provide that it would be unfair to dismiss someone to achieve a reduction in their pay, benefits or conditions of employment. He could also amend it to make it unfair to dismiss an employee for economic or organisational reasons that are not necessary to secure the survival of the business, and define the clear burden of proof. He knows that this crisis has brought with it an opportunity for the most unscrupulous employers to manipulate their workers. Let me be clear: this is abuse, and he has the power to stop it today.

9.1 pm

Angela Richardson (Guildford) (Con) [V]: This country is a brilliant place to live and work, and when it comes to supporting workers it is the Conservative party, as was proved at the ballot box just over a year ago, that is the party of workers and of business and the economy. We are also the party that understands what workers want and aspire to, not just in their workplace but in their communities, like mine in Guildford. That is why we stand proudly on our manifesto commitment to raise workers' rights standards and to strike the right balance between the flexibility that the economy needs and the security that employees deserve, including new protections for workers. It is the Conservative party that has a plan for jobs as we recover from this pandemic, including exciting new green jobs, and it is this party that will help to upskill workers to take advantage of jobs that are, even this minute, being created.

Although it was not moved, I speak in support of the amendment tabled in the name of my right hon. Friend the Prime Minister. Now that we have restored full parliamentary sovereignty, this Parliament will decide which policies are right for workers, our future innovation

[Angela Richardson]

and our job creation. Because we recognise how important the relationship is between employers and their employees, we have sought to save as many jobs as possible by introducing the furlough scheme. It might feel as though we are in the depths of winter, but I, for one, look forward to the thaw that the vaccine roll-out will bring and the renewed hope for all workers who will be a key part of the green shoots of our economic recovery. I, too, thank all those who have tirelessly continued to work throughout the past year for their courage and fortitude.

Last year, I took part in the baby loss debate, where Members from both sides of this House spoke movingly on this incredibly difficult subject. One of the single most important things we have done is to strengthen employment protections for parents who lose their child, supporting everyone who goes through this tragedy. We have implemented a statutory right for a minimum of two weeks' leave for all employed parents if they lose a child under the age of 18 or suffer a stillbirth from 20 weeks of pregnancy. Eligible parents will be able to claim statutory pay while absent from work. This is the most generous offer on parental bereavement leave and pay in the world.

We Conservatives are the party of the family. It was a Conservative-led Government who introduced shared parental leave and pay in 2014, giving parents flexibility in who takes time away from work in the first year of their child's life. Labour has abandoned the family, community, pride in their country, and support for the values that our workers hold dear. Throughout this last difficult year, and going forward, it is the Conservatives who will continue to champion these values. It is the Conservatives who are the party of the worker.

9.3 pm

Rob Roberts (Delyn) (Con) [V]: The UK has high levels of workers' rights. The hon. Members for Wansbeck (Ian Lavery) and for Leeds East (Richard Burdon) have helped us to understand why we are having this debate, which is another episode in the long series of Labour Members' bombastic scaremongering. First, they whip up anxiety on an emotive issue—today, employment rights. They undermine, they misrepresent and they scare the public. Then they bring it to the House and use the authority of this Chamber to legitimise their spin. Opposition day debates such as this never serve to shine a light on issues and foster positive debate; they serve only to attack and to stoke fear. The final stage is to bring the issue online. This is where we see the results of their dangerous rhetoric: it generates such divisive discourse and leads to horrific abuse of Conservative Members, ending with vandalism and even death threats, sadly often targeted at female Members. It has to stop.

It is correct that things such as fire and rehire are challenging, but they are part of an inherent flexibility that has to exist in the workplace but must be used responsibly. The Government have engaged ACAS to provide evidence and report on the situation, and I am confident that it will be properly dealt with. The national living wage is increasing, boosting the income of the lowest paid, and who is responsible? This Conservative Government. The £280 billion package of support to get people through the last 12 months, and beyond, has been brought in by this Government while the Labour party saw it as a good crisis to exploit.

In many areas, the UK has higher levels of employment rights than were required as part of our EU membership, confirming that if we had wanted to have lower standards, we could have done, but did not—and do not intend to. Leaving the EU has not lowered our standards. It has given us the opportunity to continue to raise workers' rights, just as we always have. I commend the right hon. and learned Member for Camberwell and Peckham (Ms Harman) for her ideas about assisting with child illness. Sadly, she is in the minority in her party in terms of helpful suggestions.

It is typical of the Labour party to avoid talking about the real issues. If it is not employment rights, it is the NHS. In 1997, Tony Blair warned us there were 14 days to save the NHS, then it was 24 hours on the day before polling. By 2012, the right hon. Member for Doncaster North (Edward Miliband) declared we only had three months to save the NHS, before telling us again in 2015 that we only had 100 days. Despite these predictions of doom and disaster, it is still there, and it has brought us through some of the darkest and toughest months in recent history.

The Government are committed to strengthening and protecting workers' rights, but Labour Members already know that. I urge them to buck up their ideas, drop the spin and join the real debates, because a strong Opposition make for a stronger Government, and that is what we should all be striving for.

9.6 pm

Charlotte Nichols (Warrington North) (Lab): As a former industrial policy officer for the trade union the GMB, an employee of USDAW prior to entering this place and a proud member of the GMB and Unite the union, employment rights are a subject incredibly close to my heart. The twin vulnerabilities created by the post-covid economic landscape and the removal of safeguards in European law following the transition period are incredibly troubling.

One such entitlement under threat is the right to holiday pay based on someone's average hours of work, rather than their contractual hours, within the working-time directive. In Warrington, staff employed by care provider Lifeways are routinely being underpaid when they take holiday—something all of us can agree is a basic working entitlement, and of especially vital importance to care workers who look after our communities' most vulnerable. One hundred and fifty staff have come together with their trade union, Unison, to lodge a formal grievance to resolve the issue. I stand behind them in this and in their right to escalated action if they do not receive what is rightfully theirs.

But employment rights are of little value if they cannot be enforced, and the 45% increase in the already problematic backlog of employment tribunal single claims since March last year is alarming. This is especially concerning given that, when I raised with the Government the lack of a legal, immediate and enforceable right to request flexible furlough for parents—with 71% of mothers who have asked for furlough for childcare reasons having been denied it by employers, according to research by the TUC—the Under-Secretary of State for Business, Energy and Industrial Strategy, the hon. Member for Sutton and Cheam (Paul Scully), suggested that those who have been victimised should contact ACAS—not remotely good enough.

Similarly, contractual rights accrued by workers with long service are shown to be worth naught if the Government do not address the growing scourge of fire and rehire—something that, shamefully, is being threatened by Centrica to key workers in British Gas. This sets an awful precedent for workers everywhere and must be outlawed by the Government.

Finally, this Government's failure to get a handle on this virus and the procedures of this House during the pandemic have meant that the vital private Member's Bill proposed by my hon. Friend the Member for Liverpool, Wavertree (Paula Barker), the National Minimum Wage Bill, has ended up on the chopping block. The Government must commit to bringing forward this legislation to end the legal loophole that stops care workers from earning at least the national minimum wage as a result of sleep-out shifts. They need this protection more than any claps or other token gestures of support from this Government.

I am fed up of hearing from those on the Government Benches about this country's record on employment rights while these issues, and many more that cannot be touched on within the time limit for this debate, remain unresolved.

9.9 pm

Marco Longhi (Dudley North) (Con) [V]: A former Leader of the Opposition called businesses predators, but business is what makes Britain great. It is what will see us flourish outside the EU and what will help us all pull through this pandemic.

As the Opposition seem still to think that business is what sets workers' rights back, let me give them some insight. The Thomas Dudley Group in my constituency is a family-owned group of manufacturing businesses in the Black Country, employing more than 400 people. Before the first lockdown last March, it made the decision to pay all employees up to 10 days' full pay while they were off sick with the virus, rather than simply paying statutory sick pay. When lockdown inevitably impacted on the business it saw a 70% reduction in its turnover, but to protect as many staff as possible all directors took pay cuts of between 20% and 50%. Where parents were struggling with childcare, the business supported them to work from home or to change shifts to accommodate it. The business supported some employees with interest-free loans when they found themselves in hardship. It introduced flexitime working where possible to support a better work-life balance and is introducing long-service holidays of a day for every five years worked.

That does not sound to me like predator behaviour at all, and pitching business against workers, as Labour wants us to, is wrong for all concerned. Employers and employees must be given the flexibility to arrange the terms and conditions of employment. We should expect all employers to treat their workers fairly, much like Thomas Dudley in my constituency. However, there are businesses that appear to have pursued fire and rehire tactics. I have constituents who have been in touch with me about this who work for British Gas. When so many are worrying about their jobs and the impact the pandemic will have on their livelihoods, where it is affordable employers should treat their workers fairly and with compassion. I look forward to the outcomes of the work the Government are doing with ACAS better to understand the issue of firing and rehiring.

It is essential that we all come together, whatever our political allegiances, to protect lives and livelihoods. The Opposition would do well to focus on job creation, rather than seeking ways to throttle the economy.

9.12 pm

Sarah Owen (Luton North) (Lab) [V]: I declare an interest as a member of Unite and the GMB union.

What has this pandemic taught us about how we value and reward the people who work hard to look after our loved ones, teach our kids, deliver our shopping and keep our country moving, even during a crisis? For a start, we should turn all those claps for key workers into proper pay and proper protections. We know that coronavirus has exposed many deep-rooted problems in our country. This should be a turning point for improving people's working conditions, not an opportunity to smash and grab workers' rights.

That is why I supported the private Member's Bill from my hon. Friend the Member for Liverpool, Wavertree (Paula Barker) that sought to strengthen protections for care workers to see that they are paid properly for all their hours, including travel time. The fantastic Luton Age Concern is already doing that, but it should be the norm, not the exception.

Health and social care staff have been the backbone of our response to the virus. Earlier this month, I presented a petition on behalf of my constituent Ernest Boateng and more than 100,000 others calling on the Government to ensure paid leave for pregnant women who cannot work from home. Ernest's wife Mary sadly lost her life to coronavirus in April. She was just 28 and heavily pregnant. Mary worked as a nurse at the hospital in my constituency. No new guidance or risk assessment can bring her back, but we need to look again at how we protect pregnant women in work. I agree with Dr Jo Mountfield from the Royal College of Obstetricians and Gynaecologists who said last week that the Government need to provide more support for expectant mums in this crisis. As the Government bring forward their employment Bill, they must include improved protection at work for pregnant women. So far we have been turned down, but Mr Boateng and I would love the opportunity to meet a Government Minister to discuss the issue. This is important.

That is why Labour acts to protect workers' rights, while the Conservative party just talks about it. We would not be delaying a pay increase for health and social care workers, many of whom, as we debate here today, are giving blood, sweat and tears on wards as they fight this virus. We would protect people's free time by stopping the Government's plan to extend the working week, and we would stop business using the pandemic as an excuse to fire and rehire people on lower pay and weaker terms—just like British Gas bosses are doing in the face of a fierce and fabulous campaign by British Gas engineers and the GMB union. We would stop fire and rehire. Alongside the trade unions, we have campaigned to go further on zero-hours contracts, the gender pay gap and protecting pay and people's livelihoods. I am proud that Labour has been, and always will be, the party of workers for workers.

9.15 pm

Richard Graham (Gloucester) (Con) [V]: There is a lot in this Opposition motion that we can all agree on, which is why the Government are right not to move a

[Richard Graham]

counter-amendment. None of us wishes to alter important employment rights such as rest breaks at work, nor should any Opposition MP want to alter the changes brought in by the Conservative Government of the last decade, such as shared parental leave and the national living wage, which has increased a 21-year-old's earnings by over a third, or more than £5,200 a year. Let us never go back either on the near doubling of the tax-free allowance since 2010, which the Secretary of State referred to, and which amounts to an extra £1,000 a year of take-home pay.

So far, then, there is agreement. However, there were also telling things missing from the shadow Minister's speech. First, there was a misreading of the Secretary of State, whose first announcement asked for faster payment of small businesses by big business, making sure that those companies—the subcontractors and the members of the Federation of Small Businesses and of the chambers of commerce, and which are the lifeblood of every constituency—get paid properly, especially during the pandemic.

There was a lot else that was missing. The second thing was that the shadow Minister failed to answer my hon. Friend the Member for South Suffolk (James Cartlidge), who asked about the Labour party's manifesto commitment to a four-day working week. If that is Labour's recipe for increased productivity, success and Britain's global way forward, I invite the shadow Minister to come down to Gloucester and talk to some of our Queen's award-winning manufacturers to get a dose of reality. It is a competitive world, and we do not win with a four-day week.

The third missing element from the speech was that the Opposition did not look at themselves. The worst published cases of employer abuses of employee rights have been in Leicester. Which party runs the council, with 52 out of 54 councillors, and has an elected Mayor, returned three times, and three out of three MPs? It is a national embarrassment, and until Labour sorts out the abuses in Leicester, it should be careful about lecturing anyone on employment rights and protections.

The fourth missing ingredient was the most important issue of all: jobs and job creation in a pandemic and an economic crisis. Today, we know that employers have signed up to offer 120,000 six-month kickstart work placements as soon as it is possible for them to start. Government Departments, such as the Department for International Trade, are on the case too. In a few days, I will host a trade export event in Gloucester to help businesses find new markets, which I hope will lead to new jobs. It is businesses that drive new jobs, as the Secretary of State knows. That is why he is supporting my efforts on promoting more marine energy around our coasts, bringing green energy and sustainable jobs. That is what we need: skills and jobs.

9.18 pm

Dehenna Davison (Bishop Auckland) (Con) [V]: Listening to many Opposition Members, I wonder whether they are residing in some kind of alternate universe. The hon. Member for Wansbeck (Ian Lavery) gave a wonderfully tub-thumping speech, talking about the Conservative party's so-called ideological attack on Britain's workers. The hon. Member for Gower (Tonia Antoniazzi) claimed

the Government are going to strip away the rights of our key workers. What absolute nonsense. Frankly, I find it completely shameful, at a time of national crisis, when our constituents are terrified about losing their livelihoods, when our healthcare staff are battling this virus day and night, and when thousands of volunteers are standing wrapped up against the cold to help roll out the vaccine to keep their parents and grandparents safe, that Labour is once again using an Opposition day motion to spread its mistruths for the sake of a few Twitter likes and to put genuine fear into the very people it claims it wants to protect. It is completely shameful.

I am beyond proud of our country's record on workers' rights. Regardless of any referendum fearmongering, it is a record that has never depended on our membership of the EU. In countless instances, we go far beyond the EU: we guarantee five and a half weeks of annual leave compared to the EU's four; we guarantee 52 weeks of maternity leave, 39 of which are paid, compared to the EU's meagre guarantee of 14 weeks; we have had guaranteed paternity leave and pay for 20 years, while the EU only introduced it last year; we guarantee the right to request flexible working, which is something that the EU only provides to parents returning from parental leave. I could go on, but I am sure that the House gets the point. Those are just a few quick examples of our excellent record put in an international context.

I was proud to stand on a Conservative manifesto that promised greater protections for workers, including the introduction of a new single body to crack down on any breaches of employment law. Back when I worked in restaurants, I would see examples of breaches, like managers pocketing waiting staff's tips at the end of the night. That might seem tedious to some who had never had to scrape a living, but those occasions really made a difference—not just to my wages, but to my overall happiness at work. A more streamlined reporting process for breaches of employment law will go a long way to making workers, particularly those in the lowest-paid industries, feel more secure in their jobs. I really look forward to seeing and scrutinising the Government's plans for this in due course.

I heard the Secretary of State loud and clear earlier when he said unequivocally that we will not reduce workers' rights. We can waste taxpayers' money debating motions such as this one that have absolutely no root in reality and will have no impact on policy, or we can focus our efforts on something that my hon. Friend the Member for South Suffolk (James Cartlidge) rightly outlined as being of paramount importance: job creation. We can debate workers' rights, but I would rather talk about how we keep our workers in work in the first place. This pandemic has had catastrophic impacts on our economy and on jobs. Instead of fearmongering, I call on my Labour colleagues to stand with us in focusing on—

Mr Deputy Speaker (Mr Nigel Evans): Order. We have to move on. I call Margaret Greenwood.

9.21 pm

Margaret Greenwood (Wirral West) (Lab) [V]: I wish to declare an interest as a member of Unite the union.

The recent reports that Ministers stand ready to trash the hard-won rights of working people by ending the 48-hour working week, changing the rules around rest

breaks at work and not including overtime pay when calculating some holiday pay entitlements are a sharp reminder of just how important it is to fight to protect employment rights. Vigilance is essential. I hear and note the Secretary of State's response to those reports, and make it clear to him that we will hold him to account on these issues. I also point out to him just how selective his history of employment rights is. For example, he seems to have overlooked the fact that it was my right hon. Friend the Member for Derby South (Margaret Beckett), as Trade Secretary, who introduced the national minimum wage in 1997 on behalf of the Labour Government. He also seems to overlook the fierce opposition that that legislation received from Tory MPs, who claimed that the economic damage would be massive, that it was ill conceived, and even that it was immoral—so we will take no lectures from the Secretary of State on that. The national minimum wage came into force in April 1999 as a flagship policy of a Labour Government, and 2 million people got a pay rise overnight.

Research by the TUC has shown that, of around 3,000 people surveyed, 73% believe that the Government must protect and enhance workplace rights such as paid holidays, and rights for temporary and agency workers. I remind Members on the Government Benches that they were elected on a manifesto that promised to legislate to ensure high standards of workers' rights. Today they must honour that manifesto commitment and vote with the Labour party to protect those rights.

The Government must also put an end to the disgraceful fire and rehire tactics whereby an employer dismisses an employee and then offers to re-engage them on reduced terms and conditions. The practice is nothing short of shameful. It brings insecurity, misery and anxiety to working people and our communities. British Gas is currently in the process of making thousands of employees redundant in this way. A constituent of mine whose husband works for British Gas and is going through this at the moment wrote to me and described his situation as being "held to ransom". I am concerned about the way in which he is being treated. I am concerned, too, about the treatment of cargo handlers at Heathrow airport by their employer, British Airways, following the airline's decision to fire and rehire its cargo division's workforce on inferior pay and conditions. I pay tribute to the GMB, Unite the union and trade unionists everywhere for their tireless work to protect the terms and conditions of working people. It is clear that it is as important today as it has ever been for people to be a member of a trade union.

To conclude, we need a cast-iron guarantee that all existing employment rights will be protected and that the Government will put an end to fire and rehire.

9.24 pm

Chris Loder (West Dorset) (Con): I would like to declare that I am not a member of Unite or the GMB trade union. When I was elected, I thought I had left the union meetings behind on the railways, but no: today, it feels like I am gate-crashing a 1970s union meeting in the House of Commons, so socialism is definitely alive and well in today's Labour party.

Here we are again. This is another example of the Labour party, rather than addressing the issues of the day, just wanting to stay wedded to the European Union. The EU position on employment rights is worse than

the UK's by a country mile, yet Labour wants us to be bound to EU standards. Maternity leave is 52 weeks in the UK, compared with just 14 in the EU. Annual leave is 28 days in the UK, compared with just 20 in the EU—I could go on.

We should ask ourselves why the Labour party has really brought this motion before the House today. I think it is because its union paymasters are pulling the strings. The GMB union sent me a briefing last night, so I thought I would do some research into its interest in this debate. That union has filled Labour MPs' pockets with £360,000 during this Parliament alone, and Unite the union has put £578,000 into the pockets of 61 Labour MPs. These are the unions supposedly fighting for rights, when really all they are doing is funding the Labour party to suppress good, decent, hard-working people from choosing how much they work, earn and save with its proposed 32-hour working week.

This Conservative Government have almost doubled the personal income tax allowance, so a person can earn £12,500 before paying any tax. We have banned exclusivity clauses in zero-hours contracts. We now have shared parental leave, and we pay to give working parents that flexibility, too. These are signs not of a Government that want to reduce employment rights, but of one who will continue to strengthen them, despite the adversity of the Opposition.

9.27 pm

Sarah Olney (Richmond Park) (LD) [V]: It is a pleasure to welcome the new Secretary of State to his role this evening, and it is also good to hear his commitments at the opening of tonight's debate that the Government have no plans to scrap the 48-hour working week, or any of the other employee entitlements that the UK has now taken back control of. It will be an immense relief to many employees to hear that commitment from the Government at this time of intense anxiety to so many households in this country.

It is not just the extreme precariousness of our current situation that is keeping millions of workers awake at night: it is the future prospects of many industries once the shadow of coronavirus has lifted. Encouraging though the news of the vaccine roll-out is, we all know that the huge disruption of the past year will not miraculously resolve itself overnight. Hundreds of businesses will not survive, despite Government support, and thousands of jobs will disappear. This is why it is so important for the Government to make a clear statement now about valuing our workers, whatever sector they are employed in. We cannot rebuild our economy if workers are employed in low-paid, precarious work. On low wages, there will be no money left over for discretionary spending after people have met the punishingly high cost of housing. Without permanent contracts, workers cannot make long-term plans, whether for holidays or for moving house.

Like the Secretary of State, I have many constituents employed by British Airways who have been threatened with fire and rehire. They will be disappointed tonight not to hear a commitment from the Secretary of State to outlaw this appalling practice. The message this sends is that businesses are more important than people. The role of the Government is to steward an economy that works for everyone; if a business cannot provide a

[Sarah Olney]

decent standard of living to its workers, it should free up its capital for one that can. I call upon the Government to outlaw fire and rehire at the earliest possible opportunity, to send the clearest signal that this Government value workers. That would give real substance to the claims from Members on the Government side of the House that the UK has the highest standard of working rights in the world, and that leaving the EU does not affect those rights.

Given the length of time between the referendum and the final deal, it remains a source of amazement to me that the Government still struggle to articulate what the benefits of Brexit are, and how they plan to use all this lovely new sovereignty to deliver for the people of the UK. The Government should start this evening by using their new-found powers and committing to outlaw fire and rehire.

9.29 pm

Suzanne Webb (Stourbridge) (Con) [V]: The Secretary of State has been very clear: we are not going to lower the standards of workers' rights. There is no plan to do so—there is no doubt in this area—so where is the debate?

We have one of the best workers' rights records in the world—rights that go much further than the EU's—and high standards that were never dependent on our membership of the EU. The whole point of leaving the EU and acting as an independent country is that it is now up to the UK Government and elected MPs to decide what rules should apply—rules that work best for the UK, including on policies that strengthen protections for workers. The Government's 2019 manifesto is clearly committed to raising workers' rights' standards. We expect all employers to treat their workers fairly and we condemn strongly the use of fire and hire as a negotiating tactic.

Seizing the new opportunities available to us outside the EU is exactly the reason why we left it. We wanted the flexibility to make our own decisions on how best to uphold our high standards, reinforcing our role as a global leader in areas of labour.

We should not forget that our flexible, dynamic market has increased employment levels. The UK has had the third lowest unemployment rate among the G7, which I am incredibly proud of, having seen unemployment when I was a young adult at its highest.

There was no need for a debate on this issue today. Debates such as these prey on people's lives for the sole purpose of a social media clip for a political soundbite. We should all be working together and debating together on our plan for jobs and the road to recovery, spreading the good news about the fantastic kickstart scheme getting young people into work, keeping people in jobs, and giving people the confidence that while, yes, this pandemic has ruthlessly undermined both our national and personal economies, there is a route out of it.

This is the Government of the worker, and never more so than now. This is the time to come together for the sake of people's livelihoods and jobs, and to allow this great and united nation to rise quickly above the mire of devastation the pandemic has inflicted on our jobs, the economy and people's lives.

9.32 pm

Beth Winter (Cynon Valley) (Lab) [V]: May I declare an interest as a member of Unite the union, and may I add that I am a very proud socialist?

At the same time that the Tories are clapping our key workers, they are planning to rip up their employment rights, ending the 48-hour working week and removing rest breaks and holiday pay entitlements. This is disgraceful and must be opposed. The Prime Minister's Brexit withdrawal agreement has left the door open for the UK Government to dismantle workers' rights, and he seems intent on doing just that.

Here in Wales we are trying to do things differently. In 2017 the Welsh Government passed the Trade Union (Wales) Act 2017, which disapplied sections of the UK Trade Union Act 2016, which undermines trade union rights. The Welsh Government Bill on social partnership is important for the fair work agenda and for unions in Wales. This Bill proposes that the Welsh Government, trade unions and employers work together in partnership to address issues affecting the workforce and to safeguard and improve people's working conditions.

The Welsh Government have also taken some distinct steps during the covid pandemic to safeguard workers' rights, such as enshrining the 2-metre social distancing guidance in law and the requirement for all private sector businesses receiving covid financial support to sign an economic contract that includes a commitment to a fair work agenda.

But all our good work in Wales is at serious risk as the Tory Government move to centralise power away from people in Wales, which we will do everything to stop. The Brexit deal and the United Kingdom Internal Market Act 2020 will drive a race to the bottom. We will fight this, which is why the Welsh Government have rightly stated their intention to take legal action against the UK Government on the Act.

Last week, I met local trade union representatives in my constituency of Cynon Valley. All unions expressed extreme concern about the Government's current threat to workers' rights, including Unite with its support for taxi drivers in Wales, and the Bakers, Food and Allied Workers Union with its struggle on behalf of low-paid McDonald's employees, along with the Fire Brigades Union, the University and College Union, the National Education Union and most recently the Public and Commercial Services Union in relation to the Driver and Vehicle Licensing Agency situation; all are already engaged in fighting for their members' safety and job security. I heard powerful and moving stories from GMB members at British Gas about the bullying tactics used to try to force workers to accept reduced terms and conditions, yet there is a solid determination to stand up against these actions by their employers.

Maintaining workers' rights is not enough. We need to extend them to create a fairer society, including a ban on zero-hour contracts, the introduction of a four-day working week, a minimum income guarantee, and a social security system that provides a genuine safety net for people. As the American black woman activist Angela Davis says:

"I am no longer accepting the things I cannot change. I am changing the things I cannot accept."

That is the message I want to give to all fellow trade unionists and workers throughout the UK. Diolch yn fawr.

9.35 pm

Gary Sambrook (Birmingham, Northfield) (Con): Another week and another attempt by the Opposition to scaremonger and spread fear—time that could have been used in this place to debate how we respond, collectively, to the pandemic and global health crisis, but time yet again wasted on providing social media videos to scare people across the country. It is as if the Labour party has some kind of holy trinity of scaremongering—the NHS, animal welfare and standards, and employment rights—which they attempt to scare people with time and again. It was Einstein who said that the definition of madness was doing the same thing over and over again and expecting a different result. We saw it in 2010, 2015, the 2016 EU referendum, 2017 and 2019. Again and again, these arguments were deployed across the country and every single time those arguments were rejected roundly by the public.

I genuinely think Labour Members do not understand the British working class anymore. It is because of our NHS, it is because of our standards in animal welfare and food, and because of our employment rights that people are proud to be British. Time and again, at every election and at every opportunity such as today, they see Labour MP after Labour MP talking down this country and its achievements—the very reasons why we are able to stand tall around the world. It is because of the living wage of £10.50 by 2024 that people are proud to be British. It is because of our 28-week sick pay that they are proud to be British. It is because of our 52 weeks maternity leave that they are proud to be British. And it is because of our minimum 28 days annual leave that they are proud to be British.

Every time we hear from Opposition Members, they try to make the same comparisons with the European Union and the ways that British standards are inferior, but it does not take five seconds to Google those comparisons. There is no requirement in the European Union for a living wage. There is no minimum for sick pay. There is 14 weeks compared with our own 52 weeks for maternity leave, and 20 days rather than 28 for minimum annual leave. It is because of this that people do not believe these scaremongering tactics. It is because of this that they dismiss their many Facebook and Twitter videos. When they look at the Labour party, they no longer see a serious alternative Government, because on occasions such as this, when it could step up to the challenge and debate the issues facing this country, it decides—

Mr Deputy Speaker (Mr Nigel Evans): Order. I call Ian Byrne, to finish at 9.40 pm.

9.38 pm

Ian Byrne (Liverpool, West Derby) (Lab) [V]: Thank you, Mr Deputy Speaker, and thank you to Opposition colleagues for securing this important debate.

I start by saying I am proud member of the GMB and Unite the union. I also declare an interest as I have a brother who is subject to hire and rehire. As mentioned by colleagues this evening, there have been reports that the Government are considering changes to employment rights, which include ending the 48-hour working week, and removing rest breaks and holiday pay entitlements. Workers are keeping our country going under unimaginable pressure, with many of those in the lowest paid sectors,

such as care workers, cleaners, delivery drivers and supermarket workers on the frontline. Right now, the Government should be rewarding workers for their heroic efforts to help our communities in this pandemic and not thinking of ways to rip up the rights that protect them both physically and financially. Workers are facing this alongside public sector pay freezes and the proposed cut of £20 a week to universal credit.

The existing employment rights and protections were implemented to protect workers' mental health and safety, and to ensure they suffer no detriment while taking necessary time off. Even with those rights in place, we know that many employers do not respect them, and the ramifications for workers' health and safety are huge. The Government cannot level up and tackle the gross inequalities that bedevil our communities if they are engaged in a race to the bottom on employment rights. They should instead focus on improving employment rights and tackling the injustices that workers already faced and continue to face during the pandemic. One such injustice is the unfair dismissal practices used by some app-based courier and private hire companies. The practice of unfair dismissal is leaving many key workers on low incomes facing potential destitution. They urgently need the support of a Government who have so far overlooked their—

Mr Deputy Speaker (Mr Nigel Evans): Order. I am terribly sorry that you had only two minutes, Ian, but I am really pleased that we got you in.

9.40 pm

Edward Miliband (Doncaster North) (Lab): I thank all right hon. and hon. Members from all parties who have spoken in this debate. It is important that this debate has taken place.

In particular, on the Opposition Benches I acknowledge my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman); my hon. Friends the Members for Wansbeck (Ian Lavery), for Lewisham, Deptford (Vicky Foxcroft), for Eltham (Clive Efford), for Birkenhead (Mick Whitley), for Gower (Tonia Antoniazzi) and for Manchester, Gorton (Afzal Khan); my right hon. Friend the Member for Hayes and Harlington (John McDonnell); and my hon. Friends the Members for Ealing North (James Murray), for Leeds East (Richard Burgon), for Salford and Eccles (Rebecca Long Bailey), for Warrington North (Charlotte Nichols), for Luton North (Sarah Owen), for Wirral West (Margaret Greenwood), for Cynon Valley (Beth Winter) and for Liverpool, West Derby (Ian Byrne). They all spoke, as did a number of Members on the Government Benches, about the real issues that so many workers are facing in the workplace, including during this pandemic. Those issues go to the heart of what this debate is really about: the future of our country and what kind of society we want to build after covid.

We are going through a truly grim experience as a nation, but there will come a time for rebuilding, and we will do that only if we learn the right lessons from the crisis, including about the world of work. Throughout this crisis, we have seen the best of our country—the spirit of coming together in our economy, with business, unions and workers so often working together. That shows the future that we should aim for in industrial relations. I pay tribute to all the key workers who have

[*Edward Miliband*]

kept our country going on all our behalf. I also pay tribute to the majority of firms that have looked out for their workers and looked after them, too.

But we have also seen what is wrong: above all, a massive divide of power, class and inequality. To those Members on the Government Benches who asked why we are having this debate, that is the reason: the experience that so many people face in the world of work today. Key workers, who matter the most but are paid the least, have the least job security, and their lives have been most on the line in this crisis. A quarter of the social care workforce is on zero-hours contracts. Nearly three quarters in the private sector are paid less than the living wage. Tragically, we have seen today that these people are among those with the highest death rates from covid.

We have seen the divide between those treated well by good employers and those whose health and lives have been put at risk. There have been 134,000 complaints relating to health and safety at work, but barely 100 enforcement notices. Behind each statistic is a worker and their family, forced into an impossible choice between their health and their job. This is the reality of the world of work today for many people. I say to every right hon. and hon. Member who boasted about how brilliant things are: tell that to the vulnerable workers on the frontline of this crisis. Instead of telling people that they have never had it so good, those Members should be facing that reality.

Tragically, as has been mentioned on both sides of the House, we have seen some employers use the crisis as a smokescreen to lower workers' terms and conditions. Firms that have seen an opportunity to railroad contract changes through at this most difficult of times include British Airways and British Gas. Those are not isolated examples: a TUC survey released today estimates that a staggering nearly one in 10 workers have been subjected to such degrading tactics.

The divides of class, power and inequality have been acute and at their most extreme during this crisis, but let us acknowledge that they were there before this crisis and will be there after, unless we act. That is the essential context to this debate. The question for this country is which party—which side of the House—will really tackle these issues as we rebuild after covid. The Government would have us believe that it is them—the Secretary of State is nodding—but what do we know?

First, we know—and it was never denied in the debate—that they have spent weeks examining whether to scrap existing workers' rights. We know that they planned a consultation. We know that they talked to business about it. Indeed, we know from the Secretary of State only last Tuesday at the Select Committee:

“we wanted to look at a whole range of issues relating to our EU membership and examine what we wanted to keep.”

It is pretty clear: they were looking at whether to scrap these rights. The truth is—and, of course, I welcome this—that they have been forced to climb down today because of the outcry, but that does not merit a pat on the back. The very fact that they were considering taking away vital rights, including the 48-hour limit on the working week, from nurses, ambulance drivers, lorry drivers and supermarket delivery drivers speaks volumes.

Secondly, this was not some Whitehall accident; this is what they believe. Let us talk about their record. This is a Government who have cut rights to unfair dismissal, imposed tribunal fees and slashed the Health and Safety Executive's budget. I know that the Secretary of State is now rather sheepish about it, but he cannot get away from his back catalogue. It was not just one rogue pamphlet, “*Britannia Unchained*”. It is a systematic set of beliefs. I have been reading up on him. In 2011, after the coalition, he wrote that people should be forced to take out private unemployment insurance; I wonder whether he remembers that one. In “*The Innovation Economy*” in 2014, he said that Government should exempt new firms from all employment rights for three years. In “*A Time for Choosing*” in 2015, he specifically targeted the 48-hour week, saying that it costs the economy billions of pounds. And, of course, in the infamous “*Britannia Unchained*”, he said that British workers were the “*worst idlers*” in the world.

To paraphrase one of his predecessors, Lord Heseltine, the right hon. Gentleman advocated cutting workers' rights before breakfast, lunch and dinner and woke up in the morning and wrote another pamphlet advocating the cutting of workers' rights. And now he expects us to believe that he has had a road to Damascus conversion; he has junked all his previous beliefs. He has gone, if you like, from “*Britannia Unchained*” to, “*Workers of the world, unite! You have nothing to lose but your chains*”—from blue Kwasi to red Kwasi. How gullible does he think the working people in this country are? All his previous convictions and all his beliefs—he never believed a word of them. Come off it! The truth is that he is caught between what he truly believes, which is what he wrote time after time, and where he knows the British people are. He cannot solve the problems of power, class and inequality in the workplace because it is not what he believes, and it is not what this Government believe.

Thirdly, if this Government really believed in tackling these divides, where are the measures to do so? Take the ability to fire and rehire, which is one of the subjects of the motion. What is their position? They now say that it is unacceptable, so will they promise to legislate tonight? I will be interested to hear the Minister's response. It is happening now up and down our country; workers are suffering now. I make this offer from the Front Bench—the Opposition Chief Whip is here, and he is nodding: if the Government want to fast-track legislation on this through the House, we will support them. There are loopholes in the law that allow this to happen, as my right hon. Friend the Member for Hayes and Harlington said. I want to know from the Minister: will he commit to legislate—not to think about it, not to consider it, not to wait for ACAS, not to wait for a report, not to have an interdepartmental review, but to act? No more vague promises about the future—this is the No. 1 litmus test of red Kwasi and the new approach that he is promising.

Today we heard lots of vague promises about the future. It is four years since the Taylor review of employment practices, but the key proposals have been left on the shelf. Where are the greater protections for people on zero-hours contracts, consulted upon and promised two years ago? Where are they? It is now two years since the Low Pay Commission recommended that all workers on zero-hours and short contracts should be given new rights to a regular contract and compensation for shift cancellation. It is 18 months—the Secretary of State is

new in post, so maybe he can read up on this—since the Government consulted on it. Where is their response? Workers need that protection now. They need it in this crisis. Where are the greater protections for self-employed workers recommended in the Taylor review? Where is the single enforcement body? And where, by the way, is the Employment Bill?

This is the bare minimum that the Government should be doing, and they are dragging their feet. The truth is that they cannot be the architects of the future because they are ideologically stuck in the past. It is the wrong priority for Britain, and it is out of step with workers, businesses and families up and down the country. Good businesses know that inequality, division in our country and injustice are a collective problem to solve. The foundation of modern economic success is decent rights, fairness at work and security for working people.

There are big choices ahead about who we are as a country and how we want to live together. The Government have shown in this debate that they cannot rise to the challenge of building a fairer, more equal country. Our workers deserve better. Our businesses deserve better. Our country deserves better. Tonight, in defence of workers across our country and in the spirit of previous generations that rebuilt after previous crises, we will vote for that fairer country.

9.50 pm

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Paul Scully): I thank hon. and right hon. Members for raising many interesting and important points. The right hon. Member for Doncaster North (Edward Miliband) talked about a back catalogue; well, his was laid bare by my hon. Friend the Member for Ashfield (Lee Anderson) when he talked about the fact that, when the right hon. Gentleman was Leader of the Opposition, the Labour party, which claimed it was a living wage employer, had security staff at its headquarters complaining that they were not even paid the living wage.

What we are doing here, though, is working on workers' protection for the 21st century. We heard from my hon. Friends the Members for Dudley North (Marco Longhi) and for South Suffolk (James Cartlidge) about the challenge of job creation as well as job protection. My hon. Friend the Member for Newbury (Laura Farris) talked about issues of automation. My hon. Friend the Member for Hertford and Stortford (Julie Marson) talked about the risks of working from home, saying that if we do not get that right, it is the equivalent of living at work, and my hon. Friend the Member for Dewsbury (Mark Eastwood) talked about the monitoring of software where people are working from home. We have heard many powerful and passionate speeches today, and I am grateful to everybody across the House who has contributed.

I will start by reiterating what the Business Secretary said in his opening speech: there will be no reduction in workers' rights. Let me turn to address some of the important issues. Following our departure from the European Union, the Government are committed to maintaining the existing levels of protection for workers provided by our current laws and regulations. As an independent country, it is right that the UK's Government and elected MPs can now decide what rules should apply that work best for the UK, including on policies

around business growth, innovation, job creation and strengthening protection for workers. That means we can look for improvements where we believe there is a need to do so.

As laid out in our manifesto, we will bring forward legislation that will make workplaces fairer by providing better support for working families and new protections for those in low-paid work, and by encouraging flexible working. We have been clear that there will be no reduction in workers' rights, and the Business Secretary has reiterated that multiple times. In fact, as we have heard, we have one of the best workers' rights records in the world.

Our high standards were never dependent on membership of the EU. Indeed, the UK provides for stronger protections for workers than are required by EU law: one of the highest minimum wages in Europe, which will increase again on 1 April; 5.6 weeks of annual leave compared with the EU requirement of four weeks; and a year of maternity leave, with the option to convert to parental leave to enable parents to share care. The EU minimum maternity leave is just 14 weeks. The right to flexible working for all employees was introduced in the UK in the early 2000s, and we will build on that, but the EU agreed rules only recently and will offer the right to parents and carers only. The UK introduced two weeks' paid paternity leave in 2003; again, the EU has only recently legislated for that.

One of the EU's own agencies, Eurofound, ranked the UK as the second best country in Europe for workplace wellbeing, behind only Sweden. It is totally disingenuous of the Labour party to claim that we do not stand on the side of the workers, and we will not take lectures from Labour on employment rights. On the Government side of the House, we have a track record of driving up protections for workers. It was a Conservative Government that introduced the national living wage and a Conservative-led Government that banned exclusivity clauses in zero-hours contracts.

By March last year, workers across the UK had enjoyed 26 consecutive months of real pay increases, and women and workers from black, Asian and minority ethnic backgrounds made up a larger proportion of the workforce than ever before. From the outset of the pandemic, the Government have acted decisively to provide an unprecedented package of support to protect people's jobs. This is real action to drive up protection for workers, not just political posturing and confected argument, as we have seen from the Labour party today.

It is a sad fact, though, that due to the impacts of covid-19 and despite the support that the Government have put in place, some employers are considering making redundancies on a larger scale. We urge employers to consider all alternatives before making redundancies. However, we recognise that it is not possible to save every business and every job.

The House should be left in no doubt that the Government will always continue to stand behind workers and stamp out unscrupulous practices where they occur. A number of Members here today have made the point that firing and rehiring practices are illegal in some European countries and that we should look to make them illegal in the UK. First, it is important to note that the legal framework relating to employment law in European countries differs from that of the UK, so we cannot compare like for like. Also, in contrast to the

[Paul Scully]

more restrictive European frameworks, the UK's flexible labour markets mean that we intend to enjoy higher employment rates and lower unemployment than countries with more rigid approaches. Before covid struck, the UK unemployment rate was only 4%, compared with the EU27 average of 6.6%. However, in all circumstances, including where employers are contemplating redundancies, we expect employees to be treated fairly and in a spirit of partnership. Laws are in place to ensure that contractual terms and conditions cannot discriminate unlawfully—for example, on grounds of race, sex and disabilities—and we know that most employers will do the right thing. Most employers want to retain their staff, especially as they have invested in training them over a period of time.

As the Business Secretary mentioned in his opening remarks, the Government take seriously reports that threats about firing and rehiring are being used as a negotiating tactic. I myself have condemned it many times in this Chamber. Officials in the Department have engaged ACAS to gather evidence of incidents where fire and rehire has been used. It has approached a wide range of stakeholders such as businesses, employee representatives and other bodies to ensure that we are hearing a range of perspectives. ACAS officials have made good progress in their independent and impartial discussions and are expected to share the evidence gathered with my officials in February this year. We think that this evidence-led approach is the right one for such a sensitive subject.

I want to conclude by reiterating that there will be no reduction in workers' rights. Our proud track record of strengthening employment rights while maintaining the freedom and flexibility in the labour market that have supported businesses to create jobs and our economy to grow should leave the House in no doubt that we are a party on the side of workers. As laid out in our manifesto, we will bring forward legislation that will make workplaces fairer by providing better support for working families and new protections for those in low-paid work, and by encouraging flexible working. This will balance the needs of employers and workers, ensuring that everybody benefits from flexibility.

As I said earlier, we have seen a confected, manufactured vote to create snippets and clips for social media, which will foment division. This will foment some pretty poisonous things on social media. I make one challenge today. Conservative Members have talked today about 21st-century issues that we need to tackle in terms of workers' protections. When Members on either side of the House tweet tonight, they can either tweet a clip about this manufactured vote and who has voted for what, after a useful constructive debate, or they can actually save lives and protect employment rights for 6 million people who are suffering from domestic abuse at the moment. Let us tweet about the fact that responsible employers should sign up to the employer initiative on domestic abuse. This is workers' protection that we can get right tonight and tomorrow morning on social media. From a business point of view, it will help to tackle a £1.9 billion productivity issue, but it is so much more than a business issue when we talk about workers' protection. It is about people's lives, people's mental health and people's physical health, and we can all do this today. This is worker protection. This is what this side of the House

does. It is real, proactive action for people up and down the country. We will not posture; we will act when appropriate.

Mr Deputy Speaker (Mr Nigel Evans): Before I put the question, I gently remind the House that if Members shout no, it will be expected that they will not then vote for the motion; indeed, it would be frowned upon if they did so. My hearing is pretty okay, however, and if I hear Members persistently shouting no, a Division will take place. That is what I am anticipating.

Question put.

The House divided: Ayes 263, Noes 0.

Division No. 212]

[9.59 pm

AYES

Abbott, rh Ms Diane	Creasy, Stella
Abrahams, Debbie	Cruddas, Jon
Ali, Rushanara	Cryer, John
Ali, Tahir	Cummins, Judith
Allin-Khan, Dr Rosena	Cunningham, Alex
Amesbury, Mike	Daby, Janet
Anderson, Fleur	Davey, rh Ed
Antoniazzi, Tonia	David, Wayne
Ashworth, Jonathan	Davies, Geraint
Bardell, Hannah	Davies-Jones, Alex
Barker, Paula	Day, Martyn
Beckett, rh Margaret	De Cordova, Marsha
Begum, Apsana	Debbonaire, Thangam
Benn, rh Hilary	Dhesi, Mr Tanmanjeet Singh
Betts, Mr Clive	Docherty-Hughes, Martin
Black, Mhairi	Dodds, Anneliese
Blackford, rh Ian	Doogan, Dave
Blackman, Kirsty	Dorans, Allan
Blake, Olivia	Doughty, Stephen
Blomfield, Paul	Dowd, Peter
Bonnar, Steven	Dromey, Jack
Brabin, Tracy	Duffield, Rosie
Bradshaw, rh Mr Ben	Eagle, Ms Angela
Brennan, Kevin	Eagle, Maria
Brock, Deidre	Eastwood, Colum
Brown, Alan	Edwards, Jonathan
Brown, Ms Lyn	Efford, Clive
Brown, rh Mr Nicholas	Elliott, Julie
Bryant, Chris	Elmore, Chris
Buck, Ms Karen	Eshalomi, Florence
Burgon, Richard	Esterson, Bill
Butler, Dawn	Evans, Chris
Byrne, Ian	Farron, Tim
Byrne, rh Liam	Farry, Stephen
Cadbury, Ruth	Fellows, Marion
Callaghan, Amy	Ferrier, Margaret
Cameron, Dr Lisa	Flynn, Stephen
Campbell, rh Sir Alan	Fovargue, Yvonne
Carden, Dan	Foxcroft, Vicky
Carmichael, rh Mr Alistair	Foy, Mary Kelly
Chamberlain, Wendy	Gardiner, Barry
Champion, Sarah	Gibson, Patricia
Chapman, Douglas	Gill, Preet Kaur
Charalambous, Bambos	Glindon, Mary
Cherry, Joanna	Grady, Patrick
Clark, Feryal	Grant, Peter
Cooper, Daisy	Gray, Neil
Cooper, Rosie	Green, Kate
Cooper, rh Yvette	Greenwood, Lilian
Corbyn, rh Jeremy	Greenwood, Margaret
Cowan, Ronnie	Griffith, Nia
Coyle, Neil	Gwynne, Andrew
Crawley, Angela	Haigh, Louise

Hamilton, Fabian
 Hanna, Claire
 Hanvey, Neale
 Hardy, Emma
 Harman, rh Ms Harriet
 Harris, Carolyn
 Hayes, Helen
 Healey, rh John
 Hendrick, Sir Mark
 Hendry, Drew
 Hill, Mike
 Hillier, Meg
 Hobhouse, Wera
 Hodge, rh Dame Margaret
 Hodgson, Mrs Sharon
 Hollern, Kate
 Hopkins, Rachel
 Hosie, Stewart
 Howarth, rh Sir George
 Huq, Dr Rupa
 Hussain, Imran
 Jardine, Christine
 Jarvis, Dan
 Johnson, Dame Diana
 Johnson, Kim
 Jones, Darren
 Jones, Gerald
 Jones, Ruth
 Jones, Sarah
 Kane, Mike
 Keeley, Barbara
 Kendall, Liz
 Khan, Afzal
 Kinnock, Stephen
 Kyle, Peter
 Lake, Ben
 Lammy, rh Mr David
 Lavery, Ian
 Law, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Linden, David
 Lloyd, Tony
 Long Bailey, Rebecca
 Lucas, Caroline
 Lynch, Holly
 MacAskill, Kenny
 MacNeil, Angus Brendan
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McDonnell, rh John
 McFadden, rh Mr Pat
 McGinn, Conor
 McGovern, Alison
 McKinnell, Catherine
 McLaughlin, Anne
 McMahan, Jim
 McMorrin, Anna
 Mearns, Ian
 Miliband, rh Edward
 Mishra, Navendu

Monaghan, Carol
 Moran, Layla
 Morden, Jessica
 Morgan, Stephen
 Morris, Grahame
 Murray, Ian
 Murray, James
 Nandy, Lisa
 Newlands, Gavin
 Nichols, Charlotte
 Nicolson, John
 Norris, Alex
 O'Hara, Brendan
 Olney, Sarah
 Onwurah, Chi
 Oppong-Asare, Abena
 Osamor, Kate
 Osborne, Kate
 Oswald, Kirsten
 Owatemi, Taiwo
 Owen, Sarah
 Peacock, Stephanie
 Pennycook, Matthew
 Perkins, Mr Toby
 Phillips, Jess
 Phillipson, Bridget
 Pollard, Luke
 Powell, Lucy
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Steve
 Rees, Christina
 Reeves, Ellie
 Reeves, Rachel
 Reynolds, Jonathan
 Ribeiro-Addy, Bell
 Rimmer, Ms Marie
 Rodda, Matt
 Russell-Moyle, Lloyd
 Saville Roberts, rh Liz
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Siddiq, Tulip
 Slaughter, Andy
 Smith, Alyn
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Sobel, Alex
 Starmer, rh Keir
 Stephens, Chris
 Stevens, Jo
 Stone, Jamie
 Streeting, Wes
 Stringer, Graham
 Sultana, Zarah
 Tami, rh Mark
 Tarry, Sam
 Thewliss, Alison
 Thomas, Gareth
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Richard
 Thornberry, rh Emily
 Timms, rh Stephen
 Trickett, Jon
 Turner, Karl
 Twigg, Derek
 Twist, Liz

Vaz, rh Valerie
 Webbe, Claudia
 West, Catherine
 Western, Matt
 Whitehead, Dr Alan
 Whitford, Dr Philippa
 Whitley, Mick
 Whittome, Nadia
 Williams, Hywel

Wilson, Munira
 Winter, Beth
 Wishart, Pete
 Yasin, Mohammad
 Zeichner, Daniel

Tellers for the Ayes:
Colleen Fletcher and
Gill Furniss

NOES

Tellers for the Noes:

John Spellar and
Mr Kevan Jones

Question accordingly agreed to.

Resolved,

That this House believes that all existing employment rights and protections must be maintained, including the 48-hour working week, rest breaks at work and inclusion of overtime pay when calculating some holiday pay entitlements, and calls on the Government to set out to Parliament by the end of January 2021 a timetable to introduce legislation to end fire and re-hire tactics.

The list of Members currently certified as eligible for a proxy vote, and of the Members nominated as their proxy, is published at the end of today's debates.

Business without Debate

DELEGATED LEGISLATION

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

EXITING THE EUROPEAN UNION (PLANT HEALTH)

That the draft Plant Health (Amendment) (EU Exit) Regulations 2020, which were laid before this House on 9 December, be approved.—(*James Morris.*)

Question agreed to.

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

That the Official Controls (Animals, Feed and Food, Plant Health etc.) (Amendment) (EU Exit) (No. 2) Regulations 2020 (S.I., 2020, No. 1631), dated 21 December 2020, a copy of which was laid before this House on 22 December, be approved.—(*James Morris.*)

Question agreed to.

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

EXITING THE EUROPEAN UNION (CIVIL AVIATION)

That the Operation of Air Services (Amendment) (EU Exit) Regulations 2020 (S.I., 2020, No. 1632), dated 22 December 2020, a copy of which was laid before this House on 23 December, be approved.—(*James Morris.*)

Question agreed to.

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

EXITING THE EUROPEAN UNION (CUSTOMS)

That the Customs Miscellaneous Non-fiscal Provisions and Amendments etc. (EU Exit) Regulations 2020 (S.I., 2020, No. 1624), dated 21 December 2020, a copy of which was laid before this House on 22 December, be approved.—(*James Morris.*)

Question agreed to.

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

LOCAL GOVERNMENT

That the draft West Yorkshire Combined Authority (Election of Mayor and Functions) Order 2021, which was laid before this House on 17 December, be approved.—(*James Morris.*)

The Deputy Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 27 January (Standing Order No. 41A).

Covid-19: Limited Company Directors

Motion made, and Question proposed, That this House do now adjourn.—(*James Morris.*)

10.11 pm

Owen Thompson (Midlothian) (SNP) [V]: It is perhaps fitting that tonight's debate is being held on Burns night, because Robert Burns was a great egalitarian and champion of social justice, and this is an issue that at its heart is about how we treat our fellow citizens. When the Chancellor said that no one would be left behind, it was a comforting show of solidarity to all:

"A Man's a Man for a' that",

as the bard would have said. But it has been over 10 months and the pleas of 3 million people left to struggle have been utterly ignored. It reminds me of another Burns quote:

"Man's inhumanity to man

Makes countless thousands mourn!"

The reasons for people being excluded have been raised many times in this Chamber, and the case is absolutely clear. How can 10% of the working population simply be dismissed as collateral damage? On what planet does that make sense? We need the excluded, all 3 million of them. They are grafters. They are innovators. They will help to rebuild after the crisis, if we help them now. Instead, they are being ground down by poverty and despair, by a Government who claim to be business friendly.

Tonight the focus is on small limited company directors, but the issue, if not the detail of the solution, applies to all those excluded groups, and I want to emphasise again that no one should be left behind. I note today's announcement of another proposal by the all-party parliamentary group on gaps in support. The targeted income grant scheme, costed at about £10.5 billion, would provide some support for the newly self-employed, pay-as-you-earn freelancers and taxpayers excluded by the 50:50 rule, as well as limited company directors. I welcome that contribution. After 10 months without any options drafted by the Treasury, it is getting its work done for it by the very people who have been left out, showing just how innovative and determined a group they are. I very much hope that the Treasury will take this proposal seriously and work with the excluded groups to reach solutions, not scramble for excuses to reject them.

About 2 million actively trading limited companies in the UK are micro and small companies. Collectively, they employ 7.5 million people. As the Minister knows, they fall into a separate category from the self-employed and commonly pay themselves a mixture of PAYE and dividends when their company has a profit. Many company directors found themselves unable to furlough because it would prevent them from working, which might mean the demise of the business. Some were actively excluded due to running an annual payroll with an RTI submission date after 19 March. For those who could furlough, the payments were often too low to live on because they are based solely on PAYE earnings. Many firms missed out on grants, particularly if they had no commercial premises, and discretionary grants can be a postcode lottery.

Ministers have been told time and time again of people's plight by MPs of all political persuasions, by campaigners and by those who have first-hand experience

of the difficulties. If I thought it would help, I would read out some of the heartbreaking stories I have heard, not only from my constituents here in Midlothian, but from all corners of the UK, but so far those real-life stories have bounced like water off a duck's back. Yet despite the Treasury's intransigence, this issue is not going away any time soon.

A parliamentary petition calling for support for limited company directors gained more than 101,000 signatures before it closed in October. Many could be watching tonight and praying that the Government do not simply trot out more irrelevant excuses for inaction. I am hoping that there will be something more solid, so I can take away more than the usual promises to listen that come to nothing. It is not enough for the Minister to tell us about what the Government have done for the self-employed or others lucky enough not to fall through the gaps. Talking of support for others suggests a continued denial of reality for those excluded and simply rubs salt in their wounds, emphasising the lack of parity and fairness.

While we are at it, let us dispel some of the myths that have been brandished to excuse inaction. Directors of small limited companies are not fat cats or wealthy tax dodgers; they have small and family businesses. Any tax advantage in partly paying through dividends was dampened long ago. Almost 1 million of this group have only a sole director, be they electricians, beauticians, shop owners or IT professionals. I also note the work of We Make Events to highlight the impact that excluding directors has had on the doubly hit events industry.

People are angry, frustrated and in despair, but we are past the time to plead the case. If the Government do not care about the human cost, perhaps warnings of the economic cost will finally cut through. It is the endgame for many businesses, and cleaning up the mess later will be far more costly than providing support now to prevent them from falling off the cliff. There are 7.6 million jobs reliant on those businesses. Many of the directors are surviving only through spiralling mountains of debt. If they go down, there will be no place for staff to go back to when furlough ends. The small-scale entrepreneurs and wealth-makers we need to lift the UK economy will, instead, be left to wither on a shrinking vine, while an unemployment cliff edge approaches.

The Treasury has had plenty of time to find a solution for all 3 million excluded, and it remains its job and its duty to do so. It has been given a head start by the worked-up proposal for a directors income support scheme—as well as the TIGS proposal I mentioned earlier—which was designed by a coalition of small business leaders, tax experts and company directors, including ForgottenLtd, the Association of Chartered Certified Accountants, the Federation of Small Businesses and Rebecca Seeley Harris of Re:Legal Consulting. It is not a fix for everyone, but it is a viable solution that would help many, and I would very much welcome support of any kind.

The DISS proposal has also received overwhelming cross-party endorsement from the gaps in support all-party group, and I am limiting my own contribution tonight to hear from a couple of colleagues on that point. I understand that the Treasury has had the proposal on its desk for six weeks now, and only just gave a full response on Friday. I know that those who worked on

the proposal will want to go through the Treasury's points fully. Indeed, they would no doubt welcome a meeting to address any concerns expressed.

I understand that there are continued concerns that the scheme is open to fraud, which seem to me misplaced at best, or exaggerated, particularly given the more gung-ho approach of this Government to so many other emergency schemes and contracts. Every scheme has a risk, of course, and it is right to minimise that risk, but it is not a reason to do nothing, as with so many previous schemes. In fact, the DISS's very design tackles such concerns head-on.

The assumption is that the DISS will run on the same parameters as the self-employment income support scheme. It will rely not on dividends but on a company's trading profits, which are contained in the corporation tax return, and because directors are under a strict legal obligation to provide accurate information when self-certifying, the scheme has a far higher bar to prevent fraud than many other existing schemes. It has also addressed concerns about administrative burdens, it deliberately mirrors an existing, working scheme, and it uses systems already in place and operated by the Treasury and HMRC. If the Government are still not persuaded of its merits, will the Minister pledge tonight at least to hold discussions with ForgottenLtd and other stakeholders to allow them to raise their concerns and to work together to find solutions? If there are ongoing issues, I would urge the Government not to throw the baby out with the bathwater.

Should the Government finally decide to act, let me be clear that no one scheme should be seen as a silver bullet, but simply as a first step in the right direction. Campaigning will not stop until all excluded groups receive parity. Above all else, this is fundamentally a moral issue. These people deserve to be supported in the same way that the Government have supported others—nothing more, nothing less. Nothing can justify their lives being shattered by mere technicalities. There has been no wrongdoing, and people are being punished for merely following practices set out in the Government's own recommendations.

With that in mind, the Government's sluggish response is almost incomprehensible. At first, the Chancellor had the nerve to paint limited company directors as fat cats not in need of support. Then the Treasury spent months scrambling for technocratic excuses not to take action. Now, thanks to the work of campaign groups and MPs, the Treasury has seen two proposals that would take the first steps towards plugging some of these gaps, while relying on the same infrastructure as other, existing schemes. There are no longer any excuses for the Government not to act. A failure to do so would simply confirm the worst fears of many—that this Government simply do not care and are willing to exclude limited company directors as a deliberate policy choice. That, quite simply, is not something that I or other hon. Members could stand by and watch.

Mr Deputy Speaker (Mr Nigel Evans): We now go to Brighton for a short contribution by video link from a Member who has the consent of the Member initiating the debate, Owen Thompson, the consent of the Minister, Jesse Norman, and the permission of the Chair, myself, to participate in the debate.

10.21 pm

Caroline Lucas (Brighton, Pavilion) (Green) [V]: Thank you very much, Mr Deputy Speaker. I am hugely grateful to the hon. Member for Midlothian (Owen Thompson) for allowing me to say a few words in this vital debate, and I congratulate him on his powerful words.

The Minister has engaged with me on a number of occasions about support for small limited company directors, and he can be in no doubt about my concerns, but I am pleased to have this opportunity to stress three points to him again. First, I want to check that he, the Chancellor and Treasury officials fully understand that the DISS proposal does not use dividend payments as the basis for calculating a suitable level of income support for directors. It very deliberately avoids doing that, and is based instead on CT600 taxable profits.

Secondly, as Northern Ireland has managed to develop a scheme that meets its—presumably—equally high standards on avoiding fraud, can the Minister tell us why it has been so difficult for the Treasury to achieve that? Will he take this opportunity to correct the impression that directors of limited companies are somehow less trustworthy than others who have benefited from Government support?

My third point is simply to ask whether, if the DISS does not meet with Treasury approval, the Minister will commit to coming up with something that does. I am running out of ways of explaining that some directors of small limited companies have received nothing in income support from his Government since March last year, and they are desperate. As well as the DISS proposal, he has other options that have been put to him. It is his responsibility to actively continue to engage with those affected and to find a solution.

The speed with which the Treasury developed emergency support schemes is warmly appreciated, but that does not excuse the gaps, and certainly not the fact that those gaps still exist. Company directors are being made destitute because the coronavirus job retention scheme for income taken via PAYE, as well as bounce back loans, rental support, increased levels of universal credit and other business support grants, all exclude them. Mortgage holidays are also on that list, which is especially hard to stomach for directors who are now forced to sell their homes to try to save their businesses. I hope that the Minister and his Department will finally grasp that hiding from reality does not change it. His Government are responsible for dangerous levels of despair and desperation. Up to 7.5 million UK jobs are reliant on small limited companies. If the DISS is not the right scheme, then the Treasury needs to urgently come up with an alternative, because it is both economically illiterate and morally untenable to leave these people with no liveable income.

10.24 pm

The Financial Secretary to the Treasury (Jesse Norman) [V]: I congratulate the hon. Member for Midlothian (Owen Thompson) on securing this debate, on his contribution, and on his tenacity and commitment in persisting with a debate on Burns night, when I am sure he has plenty of other distractions. I also thank the hon. Member for Brighton, Pavilion (Caroline Lucas) for her contribution.

Let me start by assuring colleagues across the House that I absolutely recognise the difficulties faced by their constituents, and constituents across the country of MPs from every political party, who are company directors. However, as colleagues will no doubt be aware, this is not a simple matter to resolve, for reasons that I will outline.

More widely, I think colleagues will be aware of the support that the Government have provided to individuals and businesses throughout the pandemic and the guiding principles behind how that money has been distributed. At every stage of the crisis, we have sought to support as many people and businesses as we can as rapidly as possible. To that end, we have provided a wide-ranging package of financial support worth some £280 billion. Its measures include, notably, the furlough scheme, which has protected the jobs of almost 10 million workers, while the self-employment income support scheme has so far provided grants to almost 3 million people. Let me remind the House that those ineligible for assistance from one scheme may still be able to receive help from one of the many other sources of support that are in place. Businesses may be eligible for loans and cash grants, along with tax cuts and deferrals for firms in sectors that have been hardest hit by the pandemic. We are also providing extra help to the families and individuals worst affected by this crisis with a wide-ranging package of welfare measures worth over £7 billion.

The furlough and self-employment schemes have been designed with two overriding principles in mind: the need to target support at those who need it most, and the need to safeguard taxpayer funds against fraud, error and abuse. As the hon. Member for Midlothian has recognised, it is an obligation—a duty—on the Government to keep fraud, error and abuse to a minimum, and that is what we have sought to do. This approach has meant that the vast majority of those who have requested help have been able to obtain it, while the taxpayer has been protected.

But it is important to say that the Government recognise that some people do not qualify for either support scheme, and this group includes some company directors. Let me turn to the specific situation facing this group. Directors who pay themselves a salary through a PAYE scheme are eligible for the coronavirus job retention scheme—that is, the furlough scheme. However, as Members will be aware, and as the hon. Gentleman has acknowledged, many directors pay themselves in large part through dividends while taking a small salary. Directors can claim from the furlough scheme on their salary, but dividends are not covered by this scheme, nor by the self-employment income support scheme. This is because income from dividends is a return on investment in the company rather than wages. Under HMRC's current reporting mechanisms, which it inherited from many years before this pandemic crisis struck us, and which have been designed to meet the needs of a tax system operating in normal times, it is not possible to distinguish between dividends derived from an individual's own company and dividends from other sources.

According to some external estimates, there are just over 700,000 active company directors, so if HMRC was to provide financial support to the 3.3 million people who typically declare dividend income on their tax returns, more than three quarters of those grants

could potentially go to unintended recipients. This would be an irresponsible and unfair use of taxpayer money. By the same token, to seek to identify directors by means of proxies and assumptions would be an extremely onerous, imperfect and almost certainly inequitable method.

The Government continue to work closely with a range of organisations to explore how these schemes can support directors better, as well as others who have found themselves ineligible for the main income support schemes. It is quite wrong to suggest that we have not engaged. Indeed, we welcome any proposal that constructively seeks to address gaps in support that may exist, but as we consider these options it is vital that we always bear in mind the need to protect taxpayers from fraud and abuse, which can escalate very rapidly once it is allowed to creep into the system.

Throughout the past few months, I and my colleagues in the Treasury have been exploring proposals from some of these organisations to see whether they can provide a viable solution to the gaps in coverage and, in particular, the issue facing directors. As has been mentioned by both hon. Members, these include the directors income support scheme, which has been suggested by the Federation of Small Businesses and others. I am very grateful for the care and support that have gone into drawing up the proposal and ask the House to recognise that we take it extremely seriously. I have met its supporters. I and my officials have had detailed conversations about the scheme and have sought further information and ideas on critical areas and potential concerns. This continuing engagement has taken some weeks. At this time, however, although I and my officials by no means rely on the suggestion that the scheme intrinsically involves dividends—we recognise the construction of the scheme and the structure it represents; dividends are a means by which directors can be paid, but they are not intrinsic to the approach being taken in the scheme—I and my officials do not believe that as framed it overcomes the fundamental issues of protecting taxpayers' money and safeguarding it against fraud and abuse.

I have raised those concerns with the FSB and the other members of the DISS group, and I and Treasury officials remain ready to engage with them on the issue. In addition, as the hon. Members mentioned, my team

is reviewing the targeted income grant support just received, as proposed by the gaps in support all-party parliamentary group. As I have said, we very much remain open to other constructive suggestions.

The hon. Member for Brighton, Pavilion asked what was happening with Northern Ireland and whether the Government regarded the directors of small companies as less trustworthy than others. The answer to the latter question is of course not. We make no judgment about trustworthiness. This is a structural feature of concern about the nature of the support we seek to offer and how this particular scheme addresses that concern. As for her question about Northern Ireland, I cannot comment on that. The scheme has been proposed by Invest Northern Ireland under the Northern Ireland Executive and, as far as I am aware, it is not in any way connected to the HMRC scheme. We look to see how it will work and how it will address the needs that might exist and the concerns that might arise. We are not in a position to replicate the scheme in England and Wales, for the reasons I have described.

As this crisis has evolved, we have continued to adapt and refine the targeting of our support so that it can reach more people. Let me reiterate that our guiding principle has been to help as many people and businesses as possible through the pandemic. We have protected the livelihoods of many millions of people around the country and provided vital support to those who require it most.

Mr Deputy Speaker (Mr Nigel Evans): We have all had to adapt during the covid pandemic, and tonight may well be a piece of history in that the entirety of a debate has been held in the Chamber of the House of Commons when none of the participants were present. That is quite incredible. I thank the half a dozen people who kept me company for the last half hour, which was amazing. Happy Burns night. I suspect that quite a few drams will be drunk virtually this evening, if not virtually drunk. None the less, happy Burns night everybody.

Question put and agreed to.

10.34 pm

House adjourned.

Members Eligible for a Proxy Vote

The following is the list of Members currently certified as eligible for a proxy vote, and of the Members nominated as their proxy:

Member eligible for proxy vote	Nominated proxy	Member eligible for proxy vote	Nominated proxy
Ms Diane Abbott (Hackney North and Stoke Newington) (Lab)	Bell Ribeiro-Addy	Saqib Bhatti (Meriden) (Con)	Stuart Andrew
Debbie Abrahams (Oldham East and Saddleworth) (Lab)	Mark Tami	Mhairi Black (Paisley and Renfrewshire South) (SNP)	Patrick Grady
Nigel Adams (Selby and Ainsty) (Con)	Stuart Andrew	Ian Blackford (Ross, Skye and Lochaber) (SNP)	Patrick Grady
Bim Afolami (Hitchin and Harpenden) (Con)	Stuart Andrew	Bob Blackman (Harrow East) (Con)	Stuart Andrew
Imran Ahmad Khan (Wakefield) (Con)	Stuart Andrew	Kirsty Blackman (Aberdeen North) (SNP)	Patrick Grady
Nickie Aiken (Cities of London and Westminster) (Con)	Stuart Andrew	Olivia Blake (Sheffield, Hallam) (Lab)	Mark Tami
Peter Aldous (Waveney) (Con)	Stuart Andrew	Paul Blomfield (Sheffield Central) (Lab)	Mark Tami
Rushanara Ali (Bethnal Green and Bow) (Lab)	Mark Tami	Crispin Blunt (Reigate) (Con)	Stuart Andrew
Tahir Ali (Birmingham, Hall Green) (Lab)	Mark Tami	Mr Peter Bone (Wellingborough) (Con)	Stuart Andrew
Lucy Allan (Telford) (Con)	Stuart Andrew	Steven Bonnar (Coatbridge, Chryston and Bellshill) (SNP)	Patrick Grady
Dr Rosena Allin-Khan (Tooting) (Lab)	Mark Tami	Andrew Bowie (West Aberdeenshire and Kincardine) (Con)	Stuart Andrew
Mike Amesbury (Weaver Vale) (Lab)	Mark Tami	Tracy Brabin (Batley and Spen) (Lab/Co-op)	Mark Tami
Sir David Amess (Southend West) (Con)	Stuart Andrew	Ben Bradley (Mansfield) (Con)	Stuart Andrew
Fleur Anderson (Putney) (Lab)	Mark Tami	Karen Bradley (Staffordshire Moorlands) (Con)	Stuart Andrew
Lee Anderson (Ashfield) (Con)	Chris Loder	Ben Bradshaw (Exeter) (Lab)	Mark Tami
Stuart Anderson (Wolverhampton South West) (Con)	Stuart Andrew	Suella Braverman (Fareham) (Con)	Stuart Andrew
Caroline Ansell (Eastbourne) (Con)	Stuart Andrew	Kevin Brennan (Cardiff West) (Lab)	Mark Tami
Tonia Antoniazzi (Gower) (Lab)	Mark Tami	Jack Brereton (Stoke-on-Trent South) (Con)	Stuart Andrew
Edward Argar (Charnwood) (Con)	Stuart Andrew	Andrew Bridgen (North West Leicestershire) (Con)	Stuart Andrew
Jonathan Ashworth (Leicester South) (Lab)	Mark Tami	Steve Brine (Winchester) (Con)	Stuart Andrew
Sarah Atherton (Wrexham) (Con)	Stuart Andrew	Paul Bristow (Peterborough) (Con)	Stuart Andrew
Victoria Atkins (Louth and Horncastle) (Con)	Stuart Andrew	Sara Britcliffe (Hyndburn) (Con)	Stuart Andrew
Gareth Bacon (Orpington) (Con)	Stuart Andrew	Deidre Brock (Edinburgh North and Leith) (SNP)	Patrick Grady
Mr Richard Bacon (South Norfolk) (Con)	Stuart Andrew	James Brokenshire (Old Bexley and Sidcup) (Con)	Stuart Andrew
Kemi Badenoch (Saffron Walden) (Con)	Stuart Andrew	Alan Brown (Kilmarnock and Loudon) (SNP)	Patrick Grady
Shaun Bailey (West Bromwich West) (Con)	Stuart Andrew	Ms Lyn Brown (West Ham) (Lab)	Mark Tami
Siobhan Baillie (Stroud) (Con)	Stuart Andrew	Anthony Browne (South Cambridgeshire) (Con)	Stuart Andrew
Duncan Baker (North Norfolk) (Con)	Stuart Andrew	Fiona Bruce (Congleton) (Con)	Stuart Andrew
Mr Steve Baker (Wycombe) (Con)	Stuart Andrew	Chris Bryant (Rhondda) (Lab)	Mark Tami
Harriett Baldwin (West Worcestershire) (Con)	Stuart Andrew	Felicity Buchan (Kensington) (Con)	Stuart Andrew
Steve Barclay (North East Cambridgeshire) (Con)	Stuart Andrew	Ms Karen Buck (Westminster North) (Lab)	Mark Tami
Hannah Bardell (Livingston) (SNP)	Patrick Grady	Robert Buckland (South Swindon) (Con)	Stuart Andrew
Paula Barker (Liverpool, Wavertree) (Lab)	Mark Tami	Alex Burghart (Brentwood and Ongar) (Con)	Stuart Andrew
Mr John Baron (Basildon and Billericay) (Con)	Stuart Andrew	Richard Burgon (Leeds East) (Lab)	Bell Ribeiro-Addy
Simon Baynes (Clwyd South) (Con)	Stuart Andrew	Conor Burns (Bournemouth West) (Con)	Stuart Andrew
Margaret Beckett (Derby South) (Lab)	Mark Tami	Dawn Butler (Brent Central) (Lab)	Bell Ribeiro-Addy
Apsana Begum (Poplar and Limehouse) (Lab)	Bell Ribeiro-Addy	Rob Butler (Aylesbury) (Con)	Stuart Andrew
Aaron Bell (Newcastle-under-Lyme) (Con)	Stuart Andrew	Ian Byrne (Liverpool, West Derby) (Lab)	Mark Tami
Hilary Benn (Leeds Central) (Lab)	Mark Tami	Liam Byrne (Birmingham, Hodge Hill) (Lab)	Mark Tami
Scott Benton (Blackpool South) (Con)	Stuart Andrew	Ruth Cadbury (Brentford and Isleworth) (Lab)	Mark Tami
Sir Paul Beresford (Mole Valley) (Con)	Stuart Andrew	Alun Cairns (Vale of Glamorgan) (Con)	Stuart Andrew
Jake Berry (Rossendale and Darwen) (Con)	Stuart Andrew	Amy Callaghan (East Dunbartonshire) (SNP)	Patrick Grady
Clive Betts (Sheffield South East) (Lab)	Mark Tami	Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP)	Patrick Grady
		Sir Alan Campbell (Tynemouth) (Lab)	Mark Tami

Member eligible for proxy vote	Nominated proxy	Member eligible for proxy vote	Nominated proxy
Mr Gregory Campbell (East Londonderry) (DUP)	Ian Paisley	John Cryer (Leyton and Wanstead) (Lab)	Mark Tami
Dan Carden (Liverpool, Walton) (Lab)	Mark Tami	Judith Cummins (Bradford South) (Lab)	Mark Tami
Mr Alistair Carmichael (Orkney and Shetland) (LD)	Wendy Chamberlain	Alex Cunningham (Stockton North) (Lab)	Mark Tami
Andy Carter (Warrington South) (Con)	Stuart Andrew	Janet Daby (Lewisham East) (Lab)	Mark Tami
James Cartlidge (South Suffolk) (Con)	Stuart Andrew	James Daly (Bury North) (Con)	Stuart Andrew
Sir William Cash (Stone) (Con)	Stuart Andrew	Ed Davey (Kingston and Surbiton) (LD)	Wendy Chamberlain
Miriam Cates (Penistone and Stocksbridge) (Con)	Stuart Andrew	Wayne David (Caerphilly) (Lab)	Mark Tami
Maria Caulfield (Lewes) (Con)	Stuart Andrew	David T. C. Davies (Monmouth) (Con)	Stuart Andrew
Alex Chalk (Cheltenham) (Con)	Stuart Andrew	Gareth Davies (Grantham and Stamford) (Con)	Stuart Andrew
Sarah Champion (Rotherham) (Lab)	Mark Tami	Geraint Davies (Swansea West) (Lab/Co-op)	Mark Tami
Douglas Chapman (Dunfermline and West Fife) (SNP)	Patrick Grady	Dr James Davies (Vale of Clwyd) (Con)	Stuart Andrew
Bambos Charalambous (Enfield, Southgate) (Lab)	Mark Tami	Mims Davies (Mid Sussex) (Con)	Stuart Andrew
Joanna Cherry (Edinburgh South West) (SNP)	Patrick Grady	Alex Davies-Jones (Pontypridd) (Lab)	Mark Tami
Rehman Chishti (Gillingham and Rainham) (Con)	Stuart Andrew	Philip Davies (Shipley) (Con)	Stuart Andrew
Jo Churchill (Bury St Edmunds) (Con)	Stuart Andrew	Mr David Davis (Haltemprice and Howden) (Con)	Stuart Andrew
Feryal Clark (Enfield North) (Lab)	Mark Tami	Martyn Day (Linlithgow and East Falkirk) (SNP)	Patrick Grady
Greg Clark (Tunbridge Wells) (Con)	Stuart Andrew	Thangam Debbonaire (Bristol West) (Lab)	Mark Tami
Mr Simon Clarke (Middlesbrough South and East Cleveland) (Con)	Stuart Andrew	Marsha De Cordova (Battersea)	Bell Ribeiro-Addy
Theo Clarke (Stafford) (Con)	Stuart Andrew	Mr Tanmanjeet Singh Dhesi (Slough) (Lab)	Mark Tami
Brendan Clarke-Smith (Bassetlaw) (Con)	Stuart Andrew	Caroline Dinenage (Gosport) (Con)	Stuart Andrew
Chris Clarkson (Heywood and Middleton) (Con)	Stuart Andrew	Miss Sarah Dines (Derbyshire Dales) (Con)	Stuart Andrew
James Cleverly (Braintree) (Con)	Stuart Andrew	Jonathan Djanogly (Huntingdon) (Con)	Stuart Andrew
Sir Geoffrey Clifton-Brown (The Cotswolds) (Con)	Stuart Andrew	Martin Docherty-Hughes (West Dunbartonshire) (SNP)	Patrick Grady
Dr Thérèse Coffey (Suffolk Coastal) (Con)	Stuart Andrew	Anneliese Dodds (Oxford East) (Lab/Co-op)	Mark Tami
Elliot Colburn (Carshalton and Wallington) (Con)	Stuart Andrew	Sir Jeffrey M. Donaldson (Lagan Valley) (DUP)	Ian Paisley
Damian Collins (Folkestone and Hythe) (Con)	Stuart Andrew	Michelle Donelan (Chippenham) (Con)	Stuart Andrew
Daisy Cooper (St Albans) (LD)	Wendy Chamberlain	Dave Doogan (Angus) (SNP)	Patrick Grady
Rosie Cooper (West Lancashire) (Lab)	Mark Tami	Allan Dorans (Ayr, Carrick and Cumnock) (SNP)	Patrick Grady
Yvette Cooper (Normanton, Pontefract and Castleford) (Lab)	Mark Tami	Ms Nadine Dorries (Mid Bedfordshire) (Con)	Stuart Andrew
Jeremy Corbyn (Islington North) (Ind)	Bell Ribeiro-Addy	Steve Double (St Austell and Newquay) (Con)	Stuart Andrew
Alberto Costa (South Leicestershire) (Con)	Stuart Andrew	Stephen Doughty (Cardiff South and Penarth) (Lab)	Mark Tami
Robert Courts (Witney) (Con)	Stuart Andrew	Peter Dowd (Bootle) (Lab)	Mark Tami
Claire Coutinho (East Surrey) (Con)	Stuart Andrew	Oliver Dowden (Hertsmere) (Con)	Stuart Andrew
Ronnie Cowan (Inverclyde) (SNP)	Patrick Grady	Richard Drax (South Dorset) (Con)	Stuart Andrew
Sir Geoffrey Cox (Torridge and West Devon) (Con)	Stuart Andrew	Jack Dromey (Birmingham, Erdington) (Lab)	Mark Tami
Neil Coyle (Bermondsey and Old Southwark) (Lab)	Mark Tami	Mrs Flick Drummond (Meon Valley) (Con)	Stuart Andrew
Stephen Crabb (Preseli Pembrokeshire) (Con)	Stuart Andrew	James Duddridge (Rochford and Southend East) (Con)	Stuart Andrew
Angela Crawley (Lanark and Hamilton East) (SNP)	Patrick Grady	Rosie Duffield (Canterbury) (Lab)	Mark Tami
Stella Creasy (Walthamstow) (Lab)	Mark Tami	David Duguid (Banff and Buchan) (Con)	Stuart Andrew
Virginia Crosbie (Ynys Môn) (Con)	Stuart Andrew	Philip Dunne (Ludlow) (Con)	Stuart Andrew
Tracey Crouch (Chatham and Aylesford) (Con)	Stuart Andrew	Ms Angela Eagle (Wallasey) (Lab)	Mark Tami
Jon Cruddas (Dagenham and Rainham) (Lab)	Mark Tami	Maria Eagle (Garston and Halewood) (Lab)	Mark Tami
		Colum Eastwood (Foyle) (SDLP)	Patrick Grady
		Mark Eastwood (Dewsbury) (Con)	Stuart Andrew

Member eligible for proxy vote	Nominated proxy
Jonathan Edwards (Carmarthen East and Dinefwr) (Ind)	Stuart Andrew
Ruth Edwards (Rushcliffe) (Con)	Stuart Andrew
Clive Efford (Eltham) (Lab)	Mark Tami
Julie Elliott (Sunderland Central) (Lab)	Mark Tami
Michael Ellis (Northampton North) (Con)	Stuart Andrew
Mr Tobias Ellwood (Bournemouth East) (Con)	Stuart Andrew
Mark Tami (Ogmore) (Lab)	Mark Tami
Mrs Natalie Elphicke (Dover) (Con)	Stuart Andrew
Florence Eshalomi (Vauxhall) (Lab/Co-op)	Mark Tami
Bill Esterson (Sefton Central) (Lab)	Mark Tami
George Eustice (Camborne and Redruth) (Con)	Stuart Andrew
Chris Evans (Islwyn) (Lab/Co-op)	Mark Tami
Dr Luke Evans (Bosworth) (Con)	Stuart Andrew
Sir David Evennett (Bexleyheath and Crayford) (Con)	Stuart Andrew
Ben Everitt (Milton Keynes North) (Con)	Stuart Andrew
Michael Fabricant (Lichfield) (Con)	Stuart Andrew
Laura Farris (Newbury) (Con)	Stuart Andrew
Tim Farron (Westmorland and Lonsdale) (LD)	Wendy Chamberlain
Stephen Farry (North Down) (Alliance)	Wendy Chamberlain
Simon Fell (Barrow and Furness) (Con)	Stuart Andrew
Marion Fellows (Motherwell and Wishaw) (SNP)	Patrick Grady
Margaret Ferrier (Rutherglen and Hamilton West) (Ind)	Stuart Andrew
Katherine Fletcher (South Ribble) (Con)	Stuart Andrew
Mark Fletcher (Bolsover) (Con)	Stuart Andrew
Nick Fletcher (Don Valley) (Con)	Stuart Andrew
Stephen Flynn (Aberdeen South) (SNP)	Patrick Grady
Vicky Ford (Chelmsford) (Con)	Stuart Andrew
Kevin Foster (Torbay) (Con)	Stuart Andrew
Yvonne Fovargue (Makerfield) (Lab)	Mark Tami
Dr Liam Fox (North Somerset) (Con)	Stuart Andrew
Vicky Foxcroft (Lewisham, Deptford) (Lab)	Mark Tami
Mary Kelly Foy (City of Durham) (Lab)	Bell Ribeiro-Addy
Mr Mark Francois (Rayleigh and Wickford) (Con)	Stuart Andrew
Lucy Frazer (South East Cambridgeshire) (Con)	Stuart Andrew
George Freeman (Mid Norfolk) (Con)	Stuart Andrew
Mike Freer (Finchley and Golders Green) (Con)	Stuart Andrew
Richard Fuller (North East Bedfordshire) (Con)	Stuart Andrew
Marcus Fysh (Yeovil) (Con)	Stuart Andrew
Sir Roger Gale (North Thanet) (Con)	Stuart Andrew
Barry Gardiner (Brent North) (Lab)	Mark Tami
Mark Garnier (Wyre Forest) (Con)	Stuart Andrew
Nusrat Ghani (Wealden) (Con)	Stuart Andrew
Nick Gibb (Bognor Regis and Littlehampton) (Con)	Stuart Andrew
Patricia Gibson (North Ayrshire and Arran) (SNP)	Patrick Grady
Peter Gibson (Darlington) (Con)	Stuart Andrew
Jo Gideon (Stoke-on-Trent Central) (Con)	Stuart Andrew

Member eligible for proxy vote	Nominated proxy
Preet Kaur Gill (Birmingham, Edgbaston) (Lab/Co-op)	Mark Tami
Dame Cheryl Gillan (Chesham and Amersham) (Con)	Stuart Andrew
Paul Girvan (South Antrim) (DUP)	Ian Paisley
John Glen (Salisbury) (Con)	Stuart Andrew
Mary Glendon (North Tyneside) (Lab)	Mark Tami
Mr Robert Goodwill (Scarborough and Whitby) (Con)	Stuart Andrew
Michael Gove (Surrey Heath) (Con)	Stuart Andrew
Richard Graham (Gloucester) (Con)	Stuart Andrew
Mrs Helen Grant (Maidstone and The Weald) (Con)	Stuart Andrew
Peter Grant (Glenrothes) (SNP)	Patrick Grady
James Gray (North Wiltshire) (Con)	Stuart Andrew
Neil Gray (Airdrie and Shotts) (SNP)	Patrick Grady
Chris Grayling (Epsom and Ewell) (Con)	Stuart Andrew
Damian Green (Ashford) (Con)	Stuart Andrew
Kate Green (Stretford and Urmston) (Lab)	Mark Tami
Lilian Greenwood (Nottingham South) (Lab)	Mark Tami
Margaret Greenwood (Wirral West) (Lab)	Mark Tami
Andrew Griffith (Arundel and South Downs) (Con)	Stuart Andrew
Nia Griffith (Llanelli) (Lab)	Mark Tami
Kate Griffiths (Burton) (Con)	Stuart Andrew
James Grundy (Leigh) (Con)	Stuart Andrew
Jonathan Gullis (Stoke-on-Trent North) (Con)	Stuart Andrew
Andrew Gwynne (Denton and Reddish) (Lab)	Mark Tami
Louise Haigh (Sheffield, Heeley) (Lab)	Mark Tami
Robert Halfon (Harlow) (Con)	Stuart Andrew
Luke Hall (Thornbury and Yate) (Con)	Stuart Andrew
Fabian Hamilton (Leeds North East) (Lab)	Mark Tami
Stephen Hammond (Wimbledon) (Con)	Stuart Andrew
Matt Hancock (West Suffolk) (Con)	Stuart Andrew
Greg Hands (Chelsea and Fulham) (Con)	Stuart Andrew
Claire Hanna (Belfast South) (SDLP)	Ben Lake
Neale Hanvey (Kirkcaldy and Cowdenbeath) (SNP)	Patrick Grady
Emma Hardy (Kingston upon Hull West and Hessle) (Lab)	Mark Tami
Ms Harriet Harman (Camberwell and Peckham) (Lab)	Mark Tami
Carolyn Harris (Swansea East) (Lab)	Mark Tami
Rebecca Harris (Castle Point) (Con)	Stuart Andrew
Trudy Harrison (Copeland) (Con)	Stuart Andrew
Sally-Ann Hart (Hastings and Rye) (Con)	Stuart Andrew
Simon Hart (Carmarthen West and South Pembrokeshire) (Con)	Stuart Andrew
Helen Hayes (Dulwich and West Norwood) (Lab)	Mark Tami
Sir John Hayes (South Holland and The Deepings) (Con)	Stuart Andrew
Sir Oliver Heald (North East Hertfordshire) (Con)	Stuart Andrew
John Healey (Wentworth and Dearne) (Lab)	Mark Tami
James Heapey (Wells) (Con)	Stuart Andrew

Member eligible for proxy vote	Nominated proxy	Member eligible for proxy vote	Nominated proxy
Chris Heaton-Harris (Daventry) (Con)	Stuart Andrew	Mr David Jones (Clwyd West) (Con)	Stuart Andrew
Gordon Henderson (Sittingbourne and Sheppey) (Con)	Stuart Andrew	Fay Jones (Brecon and Radnorshire) (Con)	Stuart Andrew
Sir Mark Hendrick (Preston) (Lab/Co-op)	Mark Tami	Gerald Jones (Merthyr Tydfil and Rhymney) (Lab)	Mark Tami
Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP)	Patrick Grady	Mr Marcus Jones (Nuneaton) (Con)	Stuart Andrew
Darren Henry (Broxtove) (Con)	Stuart Andrew	Ruth Jones (Newport West) (Lab)	Mark Tami
Anthony Higginbotham (Burnley) (Con)	Stuart Andrew	Sarah Jones (Croydon Central) (Lab)	Mark Tami
Mike Hill (Hartlepool) (Lab)	Mark Tami	Simon Jupp (East Devon) (Con)	Stuart Andrew
Damian Hinds (East Hampshire) (Con)	Stuart Andrew	Mike Kane (Wythenshawe and Sale East) (Lab)	Mark Tami
Simon Hoare (North Dorset) (Con)	Stuart Andrew	Daniel Kawczynski (Shrewsbury and Atcham) (Con)	Stuart Andrew
Wera Hobbhouse (Bath) (LD)	Wendy Chamberlain	Alicia Kearns (Rutland and Melton) (Con)	Stuart Andrew
Dame Margaret Hodge (Barking) (Lab)	Mark Tami	Gillian Keegan (Chichester) (Con)	Stuart Andrew
Mrs Sharon Hodgson (Washington and Sunderland West) (Lab)	Mark Tami	Barbara Keeley (Worsley and Eccles South) (Lab)	Mark Tami
Kate Hollern (Blackburn) (Lab)	Mark Tami	Liz Kendall (Leicester West) (Lab)	Mark Tami
Kevin Hollinrake (Thirsk and Malton) (Con)	Stuart Andrew	Afzal Khan (Manchester, Gorton) (Lab)	Mark Tami
Adam Holloway (Gravesham) (Con)	Stuart Andrew	Stephen Kinnock (Aberavon) (Lab)	Mark Tami
Paul Holmes (Eastleigh) (Con)	Stuart Andrew	Sir Greg Knight (East Yorkshire) (Con)	Stuart Andrew
Rachel Hopkins (Luton South) (Lab)	Mark Tami	Julian Knight (Solihull) (Con)	Stuart Andrew
Stewart Hosie (Dundee East) (SNP)	Patrick Grady	Danny Kruger (Devizes) (Con)	Stuart Andrew
Sir George Howarth (Knowsley) (Lab)	Mark Tami	Kwasi Quarteng (Spelthorne) (Con)	Stuart Andrew
John Howell (Henley) (Con)	Stuart Andrew	Peter Kyle (Hove) (Lab)	Mark Tami
Paul Howell (Sedgefield) (Con)	Stuart Andrew	Mr David Lammy (Tottenham) (Lab)	Mark Tami
Nigel Huddleston (Mid Worcestershire) (Con)	Stuart Andrew	John Lamont (Berwickshire, Roxburgh and Selkirk) (Con)	Stuart Andrew
Dr Neil Hudson (Penrith and The Border) (Con)	Stuart Andrew	Robert Lorgan (High Peak) (Con)	Stuart Andrew
Eddie Hughes (Walsall North) (Con)	Stuart Andrew	Mrs Pauline Latham (Mid Derbyshire) (Con)	Mr William Wragg
Jane Hunt (Loughborough) (Con)	Stuart Andrew	Ian Lavery (Wansbeck) (Lab)	Bell Ribeiro-Addy
Jeremy Hunt (South West Surrey) (Con)	Stuart Andrew	Chris Law (Dundee West) (SNP)	Patrick Grady
Rupa Huq (Ealing Central and Acton) (Lab)	Mark Tami	Andrea Leadsom (South Northamptonshire) (Con)	Stuart Andrew
Imran Hussain (Bradford East) (Lab)	Bell Ribeiro-Addy	Sir Edward Leigh (Gainsborough) (Con)	Stuart Andrew
Mr Alister Jack (Dumfries and Galloway) (Con)	Stuart Andrew	Ian Levy (Blyth Valley) (Con)	Stuart Andrew
Christine Jardine (Edinburgh West) (LD)	Wendy Chamberlain	Mrs Emma Lewell-Buck (South Shields) (Lab)	Mark Tami
Dan Jarvis (Barnsley Central) (Lab)	Mark Tami	Andrew Lewer (Northampton South) (Con)	Stuart Andrew
Sajid Javid (Bromsgrove) (Con)	Stuart Andrew	Brandon Lewis (Great Yarmouth) (Con)	Stuart Andrew
Mr Ranil Jayawardena (North East Hampshire) (Con)	Stuart Andrew	Clive Lewis (Norwich South) (Lab)	Mark Tami
Sir Bernard Jenkin (Harwich and North Essex) (Con)	Stuart Andrew	Dr Julian Lewis (New Forest East) (Con)	Stuart Andrew
Mark Jenkinson (Workington) (Con)	Stuart Andrew	Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con)	Stuart Andrew
Andrea Jenkyns (Morley and Outwood) (Con)	Stuart Andrew	Tony Lloyd (Rochdale) (Lab)	Mark Tami
Robert Jenrick (Newark) (Con)	Stuart Andrew	Carla Lockhart (Upper Bann) (DUP)	Ian Paisley
Boris Johnson (Uxbridge and South Ruislip) (Con)	Stuart Andrew	Mark Logan (Bolton North East) (Con)	Stuart Andrew
Dr Caroline Johnson (Sleaford and North Hykeham) (Con)	Stuart Andrew	Rebecca Long Bailey (Salford and Eccles) (Lab)	Bell Ribeiro-Addy
Dame Diana Johnson (Kingston upon Hull North) (Lab)	Mark Tami	Marco Longhi (Dudley North) (Con)	Stuart Andrew
Gareth Johnson (Dartford) (Con)	Stuart Andrew	Julia Lopez (Hornchurch and Upminster) (Con)	Stuart Andrew
Kim Johnson (Liverpool, Riverside) (Lab)	Mark Tami	Jack Lopresti (Filton and Bradley Stoke) (Con)	Stuart Andrew
David Johnston (Wantage) (Con)	Stuart Andrew	Mr Jonathan Lord (Woking) (Con)	Stuart Andrew
Darren Jones (Bristol North West) (Lab)	Mark Tami	Tim Loughton (East Worthing and Shoreham) (Con)	Stuart Andrew
Andrew Jones (Harrogate and Knaresborough) (Con)	Stuart Andrew	Caroline Lucas (Brighton, Pavilion) (Green)	Bell Ribeiro-Addy
		Holly Lynch (Halifax) (Lab)	Mark Tami
		Kenny MacAskill (East Lothian) (SNP)	Patrick Grady

Member eligible for proxy vote	Nominated proxy	Member eligible for proxy vote	Nominated proxy
Steve McCabe (Birmingham, Selly Oak) (Lab)	Mark Tami	Edward Miliband (Doncaster North) (Lab)	Mark Tami
Kerry McCarthy (Bristol East) (Lab)	Mark Tami	Robin Millar (Aberconwy) (Con)	Stuart Andrew
Jason McCartney (Colne Valley) (Con)	Stuart Andrew	Mrs Maria Miller (Basingstoke) (Con)	Stuart Andrew
Siobhain McDonagh (Mitcham and Morden) (Lab)	Mark Tami	Amanda Milling (Cannock Chase) (Con)	Stuart Andrew
Andy McDonald (Middlesbrough) (Lab)	Mark Tami	Nigel Mills (Amber Valley) (Con)	Stuart Andrew
Stewart Malcolm McDonald (Glasgow South) (SNP)	Patrick Grady	Navendu Mishra (Stockport) (Lab)	Mark Tami
Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP)	Patrick Grady	Mr Andrew Mitchell (Sutton Coldfield) (Con)	Stuart Andrew
John McDonnell (Hayes and Harlington) (Lab)	Bell Ribeiro-Addy	Gagan Mohindra (South West Hertfordshire) (Con)	Stuart Andrew
Mr Pat McFadden (Wolverhampton South East) (Lab)	Mark Tami	Carol Monaghan (Glasgow North West)	Patrick Grady
Conor McGinn (St Helens North) (Lab)	Mark Tami	Damien Moore (Southport) (Con)	Stuart Andrew
Alison McGovern (Wirral South) (Lab)	Mark Tami	Layla Moran (Oxford West and Abingdon) (LD)	Wendy Chamberlain
Craig Mackinlay (South Thanet) (Con)	Stuart Andrew	Penny Mordaunt (Portsmouth North) (Con)	Stuart Andrew
Catherine McKinnell (Newcastle upon Tyne North) (Lab)	Mark Tami	Jessica Morden (Newport East) (Lab)	Mark Tami
Cherilyn Mackrory (Truro and Falmouth) (Con)	Stuart Andrew	Stephen Morgan (Portsmouth South) (Lab)	Mark Tami
Anne McLaughlin (Glasgow North East) (SNP)	Patrick Grady	Anne Marie Morris (Newton Abbot) (Con)	Stuart Andrew
Rachel Maclean (Redditch) (Con)	Stuart Andrew	David Morris (Morecambe and Lunesdale) (Con)	Stuart Andrew
Jim McMahon (Oldham West and Royton) (Lab)	Mark Tami	Grahame Morris (Easington) (Lab)	Mark Tami
Anna McMorrin (Cardiff North) (Lab)	Mark Tami	Joy Morrissey (Beaconsfield) (Con)	Stuart Andrew
John Mc Nally (Falkirk) (SNP)	Patrick Grady	Wendy Morton (Aldridge-Brownhills) (Con)	Stuart Andrew
Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP)	Patrick Grady	Dr Kieran Mullan (Crewe and Nantwich) (Con)	Chris Loder
Karl McCartney (Lincoln) (Con)	Stuart Andrew	Holly Mumby-Croft (Scunthorpe) (Con)	Stuart Andrew
Stephen McPartland (Stevenage) (Con)	Stuart Andrew	David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con)	Stuart Andrew
Esther McVey (Tatton) (Con)	Stuart Andrew	Ian Murray (Edinburgh South) (Lab)	Mark Tami
Justin Madders (Ellesmere Port and Neston) (Lab)	Mark Tami	James Murray (Ealing North) (Lab/Co-op)	Mark Tami
Khalid Mahmood (Birmingham, Perry Barr) (Lab)	Mark Tami	Mrs Sheryll Murray (South East Cornwall) (Con)	Stuart Andrew
Shabana Mahmood (Birmingham, Ladywood) (Lab)	Mark Tami	Andrew Murrison (South West Wiltshire) (Con)	Stuart Andrew
Alan Mak (Havant) (Con)	Stuart Andrew	Lisa Nandy (Wigan) (Lab)	Mark Tami
Seema Malhotra (Feltham and Heston) (Lab)	Mark Tami	Sir Robert Neill (Bromley and Chislehurst) (Con)	Stuart Andrew
Kit Malthouse (North West Hampshire) (Con)	Stuart Andrew	Gavin Newlands (Paisley and Renfrewshire North) (SNP)	Patrick Grady
Scott Mann (North Cornwall) (Con)	Stuart Andrew	Charlotte Nichols (Warrington North) (Lab)	Mark Tami
Julie Marson (Hertford and Stortford) (Con)	Stuart Andrew	Lia Nici (Great Grimsby) (Con)	Stuart Andrew
Rachael Maskell (York Central) (Lab)	Mark Tami	John Nicolson (Ochil and South Perthshire) (SNP)	Patrick Grady
Christian Matheson (City of Chester) (Lab)	Mark Tami	Caroline Nokes (Romsey and Southampton North) (Con)	Stuart Andrew
Mrs Theresa May (Maidenhead) (Con)	Stuart Andrew	Jesse Norman (Hereford and South Herefordshire) (Con)	Stuart Andrew
Jerome Mayhew (Broadland) (Con)	Stuart Andrew	Alex Norris (Nottingham North) (Lab/Co-op)	Mark Tami
Paul Maynard (Blackpool North and Cleveleys) (Con)	Stuart Andrew	Neil O'Brien (Harborough) (Con)	Stuart Andrew
Ian Mearns (Gateshead) (Lab)	Bell Ribeiro-Addy	Brendan O'Hara (Argyll and Bute) (SNP)	Patrick Grady
Mark Menzies (Fylde) (Con)	Stuart Andrew	Dr Matthew Offord (Hendon) (Con)	Stuart Andrew
Johnny Mercer (Plymouth, Moor View) (Con)	Stuart Andrew	Sarah Olney (Richmond Park) (LD)	Wendy Chamberlain
Huw Merriman (Bexhill and Battle) (Con)	Stuart Andrew	Chi Onwurah (Newcastle upon Tyne Central) (Lab)	Mark Tami
Stephen Metcalfe (South Basildon and East Thurrock) (Con)	Stuart Andrew		

Member eligible for proxy vote	Nominated proxy	Member eligible for proxy vote	Nominated proxy
Guy Opperman (Hexham) (Con)	Stuart Andrew	Andrew Rosindell (Romford) (Con)	Stuart Andrew
Abena Oppong-Asare (Erith and Thamesmead) (Lab)	Mark Tami	Douglas Ross (Moray) (Con)	Stuart Andrew
Kate Osamor (Edmonton) (Lab/Co-op)	Bell Ribeiro-Addy	Lee Rowley (North East Derbyshire) (Con)	Stuart Andrew
Kate Osborne (Jarrow) (Lab)	Bell Ribeiro-Addy	Dean Russell (Watford) (Con)	Stuart Andrew
Kirsten Oswald (East Renfrewshire) (SNP)	Patrick Grady	Lloyd Russell-Moyle (Brighton, Kemptown) (Lab/Co-op)	Mark Tami
Taiwo Owatemi (Coventry North West) (Lab)	Mark Tami	David Rutley (Macclesfield) (Con)	Stuart Andrew
Sarah Owen (Luton North) (Lab)	Mark Tami	Liz Saville Roberts (Dwyfor Meirionnydd) (PC)	Ben Lake
Neil Parish (Tiverton and Honiton) (Con)	Stuart Andrew	Selaine Saxby (North Devon) (Con)	Stuart Andrew
Priti Patel (Witham) (Con)	Stuart Andrew	Paul Scully (Sutton and Cheam) (Con)	Stuart Andrew
Mr Owen Paterson (North Shropshire) (Con)	Stuart Andrew	Bob Seely (Isle of Wight) (Con)	Stuart Andrew
Mark Pawsey (Rugby) (Con)	Stuart Andrew	Andrew Selous (South West Bedfordshire) (Con)	Stuart Andrew
Stephanie Peacock (Barnsley East) (Lab)	Mark Tami	Naz Shah (Bradford West) (Lab)	Mark Tami
Sir Mike Penning (Hemel Hempstead) (Con)	Stuart Andrew	Jim Shannon (Strangford) (DUP)	Ian Paisley
Matthew Pennycook (Greenwich and Woolwich) (Lab)	Mark Tami	Grant Shapps (Welwyn Hatfield) (Con)	Stuart Andrew
John Penrose (Weston-super-Mare) (Con)	Stuart Andrew	Alok Sharma (Reading West) (Con)	Stuart Andrew
Andrew Percy (Brigg and Goole) (Con)	Stuart Andrew	Mr Virendra Sharma (Ealing, Southall) (Lab)	Mark Tami
Mr Toby Perkins (Chesterfield) (Lab)	Mark Tami	Mr Barry Sheerman (Huddersfield) (Lab/Co-op)	Mark Tami
Jess Phillips (Birmingham, Yardley) (Lab)	Mark Tami	Alec Shelbrooke (Elmet and Rothwell) (Con)	Stuart Andrew
Bridget Phillipson (Houghton and Sunderland South) (Lab)	Mark Tami	Tommy Sheppard (Edinburgh East) (SNP)	Patrick Grady
Chris Philp (Croydon South) (Con)	Stuart Andrew	Tulip Siddiq (Hampstead and Kilburn) (Lab)	Mark Tami
Christopher Pincher (Tamworth) (Con)	Stuart Andrew	David Simmonds (Ruislip, Northwood and Pinner) (Con)	Stuart Andrew
Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op)	Mark Tami	Chris Skidmore (Kingswood) (Con)	Stuart Andrew
Dr Dan Poulter (Central Suffolk and North Ipswich) (Con)	Stuart Andrew	Andy Slaughter (Hammersmith) (Lab)	Mark Tami
Rebecca Pow (Taunton Deane) (Con)	Stuart Andrew	Alyn Smith (Stirling) (SNP)	Patrick Grady
Lucy Powell (Manchester Central) (Lab/Co-op)	Mark Tami	Cat Smith (Lancaster and Fleetwood) (Lab)	Mark Tami
Victoria Prentis (Banbury) (Con)	Stuart Andrew	Chloe Smith (Norwich North) (Con)	Stuart Andrew
Mark Pritchard (The Wrekin) (Con)	Stuart Andrew	Greg Smith (Buckingham) (Con)	Stuart Andrew
Jeremy Quin (Horsham) (Con)	Stuart Andrew	Henry Smith (Crawley) (Con)	Stuart Andrew
Will Quince (Colchester) (Con)	Stuart Andrew	Jeff Smith (Manchester, Withington) (Lab)	Mark Tami
Yasmin Qureshi (Bolton South East) (Lab)	Mark Tami	Julian Smith (Skipton and Ripon) (Con)	Stuart Andrew
Dominic Raab (Esher and Walton) (Con)	Stuart Andrew	Nick Smith (Blaenau Gwent) (Lab)	Mark Tami
Tom Randall (Gedling) (Con)	Stuart Andrew	Royston Smith (Southampton, Itchen) (Con)	Stuart Andrew
Angela Rayner (Ashton-under-Lyne) (Lab)	Mark Tami	Karin Smyth (Bristol South) (Lab)	Mark Tami
John Redwood (Wokingham) (Con)	Stuart Andrew	Alex Sobel (Leeds North West) (Lab)	Mark Tami
Steve Reed (Croydon North) (Lab/Co-op)	Mark Tami	Amanda Solloway (Derby North) (Con)	Stuart Andrew
Christina Rees (Neath) (Lab)	Mark Tami	Dr Ben Spencer (Runnymede and Weybridge) (Con)	Stuart Andrew
Ellie Reeves (Lewisham West and Penge) (Lab)	Mark Tami	Alexander Stafford (Rother Valley) (Con)	Stuart Andrew
Rachel Reeves (Leeds West) (Lab)	Mark Tami	Keir Starmer (Holborn and St Pancras) (Lab)	Mark Tami
Jonathan Reynolds (Stalybridge and Hyde) (Lab)	Mark Tami	Chris Stephens (Glasgow South West) (SNP)	Patrick Grady
Nicola Richards (West Bromwich East) (Con)	Stuart Andrew	Andrew Stephenson (Pendle) (Con)	Stuart Andrew
Angela Richardson (Guildford) (Con)	Stuart Andrew	Jo Stevens (Cardiff Central) (Lab)	Mark Tami
Ms Marie Rimmer (St Helens South and Whiston) (Lab)	Mark Tami	Jane Stevenson (Wolverhampton North East) (Con)	Stuart Andrew
Rob Roberts (Delyn) (Con)	Stuart Andrew	John Stevenson (Carlisle) (Con)	Stuart Andrew
Mr Laurence Robertson (Tewkesbury) (Con)	Stuart Andrew	Bob Stewart (Beckenham) (Con)	Stuart Andrew
Gavin Robinson (Belfast East) (DUP)	Ian Paisley	Iain Stewart (Milton Keynes South) (Con)	Stuart Andrew
Mary Robinson (Cheadle) (Con)	Stuart Andrew	Jamie Stone (Caithness, Sutherland and Easter Ross) (LD)	Wendy Chamberlain
Matt Rodda (Reading East) (Lab)	Mark Tami		

Member eligible for proxy vote	Nominated proxy	Member eligible for proxy vote	Nominated proxy
Sir Gary Streeter (South West Devon) (Con)	Stuart Andrew	Mr Ben Wallace (Wyre and Preston North)	Stuart Andrew
Wes Streeting (Ilford North) (Lab)	Mark Tami	Dr Jamie Wallis (Bridgend) (Con)	Stuart Andrew
Mel Stride (Central Devon) (Con)	Stuart Andrew	Matt Warman (Boston and Skegness) (Con)	Stuart Andrew
Graham Stringer (Blackley and Broughton) (Lab)	Mark Tami	David Warburton (Somerset and Frome) (Con)	Stuart Andrew
Graham Stuart (Beverley and Holderness) (Con)	Stuart Andrew	Giles Watling (Clacton) (Con)	Stuart Andrew
Julian Sturdy (York Outer) (Con)	Stuart Andrew	Suzanne Webb (Stourbridge) (Con)	Stuart Andrew
Zarah Sultana (Coventry South) (Lab)	Bell Ribeiro-Addy	Claudia Webbe (Leicester East) (Ind)	Bell Ribeiro-Addy
Rishi Sunak (Richmond (Yorks)) (Con)	Stuart Andrew	Catherine West (Hornsey and Wood Green) (Lab)	Mark Tami
James Sunderland (Bracknell) (Con)	Stuart Andrew	Matt Western (Warwick and Leamington) (Lab)	Mark Tami
Sam Tarry (Ilford South) (Lab)	Mark Tami	Helen Whately (Faversham and Mid Kent) (Con)	Stuart Andrew
Alison Thewliss (Glasgow Central) (SNP)	Patrick Grady	Mrs Heather Wheeler (South Derbyshire) (Con)	Stuart Andrew
Derek Thomas (St Ives) (Con)	Stuart Andrew	Dr Alan Whitehead (Southampton, Test) (Lab)	Mark Tami
Gareth Thomas (Harrow West) (Lab/Co-op)	Mark Tami	Dr Philippa Whitford (Central Ayrshire) (SNP)	Patrick Grady
Nick Thomas-Symonds (Torfaen) (Lab)	Mark Tami	Mick Whitley (Birkenhead) (Lab)	Mark Tami
Owen Thompson (Midlothian) (SNP)	Patrick Grady	Craig Whittaker (Calder Valley) (Con)	Stuart Andrew
Richard Thomson (Gordon) (SNP)	Patrick Grady	John Whittingdale (Malden) (Con)	Stuart Andrew
Emily Thornberry (Islington South and Finsbury) (Lab)	Mark Tami	Nadia Whittome (Nottingham East) (Lab)	Mark Tami
Stephen Timms (East Ham) (Lab)	Mark Tami	Bill Wiggin (North Herefordshire) (Con)	Stuart Andrew
Edward Timpson (Eddisbury) (Con)	Stuart Andrew	James Wild (North West Norfolk) (Con)	Stuart Andrew
Kelly Tolhurst (Rochester and Strood) (Con)	Stuart Andrew	Craig Williams (Montgomeryshire) (Con)	Stuart Andrew
Justin Tomlinson (North Swindon) (Con)	Stuart Andrew	Hywel Williams (Arfon) (PC)	Ben Lake
Michael Tomlinson (Mid Dorset and North Poole) (Con)	Stuart Andrew	Gavin Williamson (Montgomeryshire) (Con)	Stuart Andrew
Craig Tracey (North Warwickshire) (Con)	Stuart Andrew	Munira Wilson (Twickenham) (LD)	Wendy Chamberlain
Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con)	Stuart Andrew	Sammy Wilson (East Antrim) (DUP)	Ian Paisley
Jon Trickett (Hemsworth) (Lab)	Bell Ribeiro-Addy	Beth Winter (Cynon Valley) (Lab)	Rachel Hopkins
Laura Trott (Sevenoaks) (Con)	Stuart Andrew	Pete Wishart (Perth and North Perthshire) (SNP)	Patrick Grady
Elizabeth Truss (South West Norfolk) (Con)	Stuart Andrew	Mike Wood (Dudley South) (Con)	Stuart Andrew
Tom Tugendhat (Tonbridge and Malling) (Con)	Stuart Andrew	Jeremy Wright (Kenilworth and Southam) (Con)	Stuart Andrew
Karl Turner (Kingston upon Hull East) (Lab)	Mark Tami	Mohammad Yasin (Bedford) (Lab)	Mark Tami
Derek Twigg (Halton) (Lab)	Mark Tami	Jacob Young (Redcar) (Con)	Stuart Andrew
Mr Shailesh Vara (North West Cambridgeshire) (Con)	Stuart Andrew	Nadhim Zahawi (Stratford-on-Avon) (Con)	Stuart Andrew
Martin Vickers (Cleethorpes) (Con)	Stuart Andrew	Daniel Zeichner (Cambridge) (Lab)	Mark Tami
Theresa Villiers (Chipping Barnet) (Con)	Stuart Andrew		
Mr Robin Walker (Worcester) (Con)	Stuart Andrew		

Written Statement

Monday 25 January 2021

HOME DEPARTMENT

Tackling Child Sexual Abuse Strategy

The Secretary of State for the Home Department (Priti Patel): Last week, on 22 January, the Government published the tackling child sexual abuse strategy. As the first strategy of its kind, it sets out an ambitious blueprint for preventing and tackling all forms of child sexual abuse—whether these crimes take place within the family, in the community or online. In the past, a culture of denial emboldened offenders committing these heinous crimes. This must never happen again.

The strategy builds on previous work across Government to tackle child sexual abuse. It recognises the scale of the problem, its hidden nature, and the way it continues to evolve, outlining a fresh approach focused on the relentless pursuit of offenders and better protection for victims and survivors.

The recently published paper on group-based child sexual exploitation highlighted that the data collected on offender and victim characteristics is inadequate, and that there is a need to improve the quality and extent of data collected in relation to the modus operandi of offending. The strategy therefore commits to working with local authorities to understand and respond to threats within their communities, and to collecting higher quality data on offenders so that the Government can build a fuller picture on the characteristics of perpetrators and help tackle the abuse that has blighted many towns and cities in England.

In addition, the strategy outlines the immediate steps we will take to tackle all forms of offending, including:

Investing in the UK's world-leading child abuse image database to identify and catch more offenders quicker, including new tools to speed-up police investigations;

Committing to a review of Sarah's law to make it easier for parents and carers to ask the police if someone has a criminal record for child sexual offences;

Supporting local areas to improve their response to exploitation through funding for the Home Office-funded prevention programme;

Preventing abuse by raising awareness through communications and engagement with parents and the wider public, as well as providing professionals with skills and resources to intervene early;

Providing victims and survivors with the support they need to rebuild their lives, ensuring their rights are protected in the criminal justice system and investing to improve support services and embed best practice;

Working with partners overseas to strengthen child protection systems in countries where children are particularly at risk, and clamping down on individuals who travel abroad to rape and abuse children.

Using new legislation and enhanced technology to stop offenders in their tracks, including introducing the groundbreaking Online Safety Bill and GCHQ collaborating with the tech industry to identify and develop solutions to crack down on large-scale online child sexual abuse.

Protecting children and the most vulnerable in our society is one of the Government's most fundamental and important roles. This strategy underlines my unwavering determination to crack down on perpetrators, place victims and survivors at the heart of our approach and restore confidence in the criminal justice system's ability to tackle these repulsive crimes.

The tackling child sexual abuse strategy is available on [gov.uk](https://www.gov.uk). A copy of the strategy will also be placed in the Libraries of both Houses.

[HCWS733]

Petition

Monday 25 January 2021

OBSERVATIONS

TREASURY

Reversing cuts to the aid budget

The petition of residents of the constituency of Glasgow East,

Declares that, although the covid-19 pandemic has caused nations around the world to face tough challenges, both from a public health point of view and a financial point of view, it is absolutely vital that the pandemic does not lead the UK Government to forget the promises made to the public and its commitment to overseas aid; notes that in the Conservative 2019 general election manifesto, the aid budget remaining at 0.7% was a key promise; further declares that cutting the budget continues to break another promise by the Conservative party; further that the cut to the aid budget flies in the face of the UK Government's promise of a Global Britain; further that this cut is another example of the UK Government's path to becoming insular and isolated on the world stage; further that the cut in the aid budget will increase poverty and instability around the world, which will be increasingly devastating due to the covid-19 pandemic; and further that the Government should urgently reverse this cut in the aid budget to avoid the devastating predicted impact.

The petitioners therefore request that the House of Commons urge the Government to consider committing to retaining the aid budget at 0.7%, and not reducing it to 0.5% as a result of the covid-19 pandemic spending cuts.

And the petitioners remain, etc.—[Presented by David Linden, *Official Report*, 3 December 2020; Vol. 685, c. 539.]

[P002635]

Observation from The Chief Secretary to the Treasury, (Steve Barclay):

The Government thank the hon. Member for Glasgow East (David Linden) for submitting the petition.

The Government have listened with great respect to those who have argued passionately to continue to spend 0.7% of our national income as official development aid (ODA).

The Government remain committed to international development and providing support to the world's poorest. The UK will remain one of the leading development donors in the world, providing £10 billion next financial year towards our key international development priorities including poverty reduction, climate change, and global health security.

However, we face extraordinary fiscal circumstances as a result of our unprecedented support to the economy in the wake of the covid-19 pandemic. As the Chancellor said in his spending review speech, at a time of emergency, sticking rigidly to spending 0.7% of gross national income on overseas aid is not an appropriate prioritisation of resources. The Government intend to return to the 0.7% target when the fiscal situation allows.

The Government will continue to spend overseas aid in the most focused and effective way possible, tackling key global challenges where the UK is already a well-recognised international leader, including in our international response to covid-19.

Aid is also only one way we project Britain's place in place in the world—the UK uses these resources to support our wider leadership efforts on the world stage, which we will step up as we chair the G7 and COP in 2021.

Ministerial Correction

Monday 25 January 2021

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

Covid-19 Vaccine Access

The following are extracts from Foreign, Commonwealth and Development Office Question Time on Tuesday 19 January 2021.

Sarah Champion (Rotherham) (Lab) [V]: The Minister is right that vaccines alone are not enough, and she is aware that the International Development Committee has just done an inquiry on the secondary impacts, which show that developing countries are suffering economically through their healthcare and through gender inequality. What efforts and preparations are being made by FCDO to prevent there being a development mountain to climb after the pandemic subsides?

Wendy Morton: I recognise the work of the IDC and I am very pleased that its work is continuing. Let me just reiterate that when it comes to covid-19, the UK and the FCDO remain at the forefront. With the funds that we have, we continue to support the world's poorest, and we will continue to focus on the bottom billion.

Yes, it is about working with the development world, but it is also about working, where we can, with the public sector and the private sector. I look to the example of Oxford-AstraZeneca. The UK Government invested £84 million in helping to develop that vaccine, and we are now rolling it out. We have committed to the AMC, and we are absolutely committed to helping the world's poorest.

[Official Report, 19 January 2021, Vol. 687, c. 761.]

Letter of correction from the Under-Secretary of State for Foreign, Commonwealth and Development Affairs, the hon. Member for Aldridge-Brownhills (Wendy Morton):

An error has been identified in the response I gave to the hon. Member for Rotherham (Sarah Champion).

The correct response should have been:

Wendy Morton: I recognise the work of the IDC and I am very pleased that its work is continuing. Let me just reiterate that when it comes to covid-19, the UK and the FCDO remain at the forefront. With the funds that we have, we continue to support the world's poorest, and we will continue to focus on the bottom billion. Yes, it is about working with the development world, but it is also about working, where we can, with the public sector and the private sector. I look to the example of Oxford-AstraZeneca. **The UK Government invested £131 million in helping to develop that vaccine, along with the Imperial College candidate.** We have committed to the AMC, and we are absolutely committed to helping the world's poorest.

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**not later than
Monday 1 February 2021**

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