PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

RATING (CORONAVIRUS) AND DIRECTORS DISQUALIFICATION (DISSOLVED COMPANIES) BILL

Third Sitting

Thursday 8 July 2021

CONTENTS

Clauses 1 to 4 agreed to.
New clauses considered.
Bill to be reported, without amendment.
Written evidence reported to the House.

PBC (Bill 11) 2021 - 2022

No proofs can be supplied. Corrections that Members suggest for the final version of the report should be clearly marked in a copy of the report—not telephoned—and must be received in the Editor's Room, House of Commons,

not later than

Monday 12 July 2021

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The Committee consisted of the following Members:

Chairs: DAVID MUNDELL, † CHRISTINA REES

† Baker, Duncan *(North Norfolk)* (Con)
† Baynes, Simon *(Clwyd South)* (Con)
† Grant, Peter *(Glenrothes)* (SNP)
† Hall, Luke *(Minister for Regional Growth and Local Government)*
† Hunt, Jane *(Loughborough)* (Con)
† Jenkinson, Mark *(Workington)* (Con)
† Malhotra, Seema *(Feltham and Heston)* (Lab/Co-op)
Mishra, Navendu *(Stockport)* (Lab)
† Richardson, Angela *(Guildford)* (Con)
† Rimmer, Ms Marie *(St Helens South and Whiston)* (Lab)
Scully, Paul *(Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy)*
† Smith, Jeff *(Manchester, Withington)* (Lab)
† Throup, Maggie *(Lord Commissioner of Her Majesty's Treasury)*
† Webb, Suzanne *(Stourbridge)* (Con)
† Whitley, Mick *(Birkenhead)* (Lab)
† Young, Jacob *(Redcar)* (Con)

Yohanna Sallberg, *Committee Clerk*

† attended the Committee

Public Bill Committee

Thursday 8 July 2021

[Christina Rees *in the Chair*]

Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Bill

11.30 am

The Chair: Before we begin, I remind Members to observe social distancing and sit only in the places that are clearly marked. I also remind Members that, in line with the House of Commons Commission's decision, face coverings should be worn in Committee unless people are speaking or are medically exempt. Please switch electronic devices to silent. Tea and coffee are not allowed during sittings. The *Hansard* Reporters would be grateful if Members could email any electronic copies of their speaking notes to hansardnotes@parliament.uk.

We will now begin our line-by-line consideration of the Bill. The selection and grouping list for today's sitting, which is available in the room, shows how the selected amendments have been grouped together for debate. The list shows the order of debates. Decisions on each amendment are taken when we come to the clause or schedule that it affects.

Clause 1

Determinations in respect of certain non-domestic rating lists

Question proposed, That the clause stand part of the Bill.

The Chair: With this it will be convenient to discuss new clause 2—*Effectiveness of non-domestic rating lists provisions*—

"(1) The Secretary of State must, no later than the end of the period of one year after the day on which this Act is passed, lay before Parliament an assessment of the effectiveness of the provisions in section 1 of this Act.

(2) The assessment must include consideration of—

(a) the extent to which the provisions have achieved their objectives;

(b) the interaction of the provisions with other law and policy relating to coronavirus support for business and business rates; and

(c) possible related changes to law and policy."

This new clause would place an obligation on the Secretary of State to publish an assessment of the provisions in section 1 of this Act.

The Minister for Regional Growth and Local Government (Luke Hall): It is a pleasure to serve under your chairmanship, Ms Rees. The Bill before the Committee is one of two halves. The first half is a measure that changes the valuation assumptions applied when making business rates determinations in the light of the pandemic. The provisions that will implement the measure are contained entirely within the first clause.

In order to understand clause 1, I will briefly take us back to the Local Government Finance Act 1988, which requires business rates to be calculated from rateable values that, broadly speaking, represent annual rental values. Those values are updated at regular general revaluations. Earlier this year, we were extremely grateful for the cross-party support for the passing of the Non-Domestic Rating (Lists) Act 2021, which sets out the date of the next revaluation on 1 April 2023, based on a valuation date of 1 April 2021. That means that future business rates bills will reflect the impact of the pandemic on the commercial property market.

Outside general revaluations, rateable values can be altered only to correct an inaccuracy or to reflect a material change of circumstance, such as a physical change to a property or locality. For example, a successful material change in circumstances challenge might be made on the basis of significant roadworks in a property's immediate area. The material change in circumstances legislation itself, which is set out in the 1988 Act, was not designed with pandemics or coronavirus in mind, and the material change in circumstances system was not intended to be used in response to matters with economy-wide impacts. Relying on the MCC system, rather than on targeted business rates reliefs, is not in line with the original intention of the law and would not be the right approach to take to support businesses that have been impacted during the pandemic. Clause 1 of the Bill therefore clarifies that the impact of the coronavirus pandemic, and the Government's response to it, should be reflected at the next general revaluation on 1 April 2023.

Business rates are devolved, so clause 1 applies to England. Decisions on whether to take similar steps in Wales, Scotland and Northern Ireland are for the respective Governments to make. I understand that in Northern Ireland the matter is still under consideration. The Scottish Government have recently announced that they agree with our position that it is not appropriate to use the MCC appeals system in relation to covid-19 or related restrictions. Yesterday, the Welsh Government announced that they also agree with our position, and set out their intention to seek to include provisions covering Wales in the Bill. We will work closely with the Welsh Government on this, and I will keep Members, including those on the Opposition Front Bench, updated on any amendments to the Bill that might be required. I am glad to say that the largely cross-party support that we have received for this measure is now spreading to cross-territorial support.

As I said on Second Reading, the measures in clause 1 do not mean that we have not provided significant support to businesses during the pandemic; there has been a £16 billion package of support for business rates. We have also announced £1.5 billion in relief to be targeted at ratepayers who have not already benefited from support linked to business rates. The additional business rates relief will be administered by councils, and my Department will continue to work closely with local government to enable ratepayers to apply for the support as soon as possible, subject to the passing of the Bill.

New clause 2 would require an assessment of the effectiveness of the provisions in clause 1 to be made within one year of Royal Assent. It would require the Secretary of State's assessment to consider

"the interaction of the provisions with other law and policy relating to coronavirus support for business and business rates",

as well as the Government's overall package of support for businesses impacted by the pandemic. We completely understand hon. Members' concern to ensure that the business rates system is kept under review.

The objective of the Bill, which is to ensure that successful MCC appeals cannot be made on the basis of the pandemic or the Government's response to it, will be met as soon as the Bill is enacted, so I can certainly assure the Committee that there will be no need to monitor the implementation of any changes to the rating list or any new practices by the Valuation Office Agency once the Bill is passed. That is simply because the VOA has not, to date, been amending the rating list to reflect covid-19. I hope the Committee will see that new clause 2 is therefore unnecessary.

I appreciate, however, that interest extends beyond the provisions in the Bill to the design of the wider business rates system. This matter will therefore be considered as part of the fundamental review of business rates, which is currently being carried out by the Chancellor. We published the consultation earlier this month to set out proposals for moving to a system of three-yearly evaluations. As part of ensuring the sustainability of that three-yearly cycle, we are reviewing the MCC system. It is clear from our need to bring forward this piece of legislation that the MCC system has not worked as expected in this instance.

I can certainly assure the Committee that we will be looking more generally at the MCC rules as we see how they can be improved to avoid this type of situation arising again. We will work with the VOA, stakeholders and, I hope, our Opposition colleagues to understand how we can improve the system and track and monitor its operation. We absolutely monitor and track changes to the business rates yield through our regular returns from local government. The VOA publishes regular statistics on the rating list and, of course, keeps us fully informed of activity on the rating list. I am confident we can find a sustainable system that we can monitor effectively and that will stand the test of time.

Jeff Smith (Manchester, Withington) (Lab): It is a pleasure to see you in the Chair, Ms Rees. May I start by wishing the Minister a happy birthday? What better way to spend a birthday than in a Bill Committee? I am grateful to him for setting out the rationale for clause 1, which would rule out covid-related material change in circumstances claims for business rates appeals.

As we outlined on Second Reading, the Opposition broadly recognise the rationale for the Bill as a whole, and we accept the logic for the provisions in clause 1. Material change in circumstances claims related to covid restrictions would not be the most effective way to provide help for business that have been—I hope only temporarily—badly hit by the pandemic. Indeed, many of those who most need the extra help might struggle with the time-consuming process of such an appeal. We appreciate that a large number of covid-related appeals could lead to what has been described as an effective shadow revaluation, which could put a real strain on the Valuation Office Agency, when its time and expertise would be better used on the upcoming general revaluation of business rates in 2023.

There is also a risk that new MCC-related changes would have to be made every time Government restrictions on businesses changed. It remains to be seen whether we have seen the last of the restrictions and business closures as a result of the pandemic—we hope we have—but if not, a further wave of such applications in the wake of further restrictions could cause future problems for the VOA.

To go alongside this legislation, the Government have announced an additional relief fund for businesses that have so far not benefited from any rates relief, such as those in the supply chain of retail, hospitality and leisure businesses. In principle, that seems a sensible way of administering targeted support without the need for MCC claims, but questions remain: first on the adequacy of the £1.5 billion figure, especially for certain sectors such as large airports, and secondly on the guidance and eligibility criteria for the fund.

We welcome that clause 1 gives local authorities some guarantee that their income from business rates will remain reasonably stable for the immediate future. With business rates forming such a substantial part of local authorities' income, they need that stability. The uncertainty that would be caused by a potential income reduction as a result of large numbers of MCCs could cause real problems, particularly following such a difficult period for local government, marred by covid pressures after 10 years of austerity and broken promises from the Government about their support.

As I said during the evidence sessions, this legislation can be considered to be shifting the financial risk, or burden, from local government to the national Government by means of support for businesses. That seems reasonable, given the financial difficulties that local government is facing, but it is reasonable only if the funding available is sufficient to guarantee businesses the support they need. On Second Reading, we raised concerns about whether the £1.5 billion package that goes alongside the Bill would be enough to support all those businesses that have missed out on rates relief and other support so far, and the Government still have not clarified how they arrived at that figure or who exactly they envisage it supporting. It would be helpful if the Minister referred to that in his response.

I raise the example of large airports, which have been among the sectors worst affected by the pandemic. They pay huge amounts of business rates, but have been able to access only limited rates relief. Many were planning to put in MCC claims to try to recoup some of that money and stay afloat, but this legislation rules that out. I would therefore be grateful if the Minister could clarify whether the £1.5 billion fund is supposed to cover airports as well as all the other businesses that have missed out.

During the evidence sessions, David Magor, the chief executive officer of the Institute of Revenues Rating and Valuation, said of the £1.5 billion:

"the amount does not appear to be sufficient to meet the desires of all the ratepayers who had outstanding challenges and large assessments, like the airports. The challenge for the Government is to ensure that those particular ratepayers are satisfied."—[*Official Report, Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Public Bill Committee,* 6 July 2021; c. 28, Q41.]

Heathrow, for example, had losses in 2020 exceeding £2 billion, including a business rates bill of £120 million—the biggest in the UK. It has been given £8 million in business rates relief. If the £1.5 billion pot is to support large airports too, it would appear to be inadequate. If not, what are larger airports supposed to do as an

[Jeff Smith]

alternative to claiming for MCC, and will the Government come forward with further funding for large airports and critical infrastructure?

Even taking the airports and critical infrastructure out of the equation, there is serious concern about the £1.5 billion figure, which is shared by some of the experts we heard from at the evidence sessions earlier in the week. We have since had written evidence from the car parking sector, which is another one that has expressed real concerns. The consensus appears to be that we simply will not know whether it is enough or not until the Government publish the guidance for the scheme—something that businesses and local authorities are hoping happens urgently.

Even though it is usual for guidance to be published after the accompanying legislation has completed its passage through Parliament, there seems to be no reason why the Government could not publish draft guidance now and an indicative figure on the amount for each local authority immediately. The Opposition strongly urge the Government to do so, and given that the passing of the legislation is not actually required in order for the £1.5 billion to be released, we encourage the Government to get on with it quickly. There are businesses out there in real financial difficulty that are desperate for rapid help.

I also wonder whether the Minister can address concerns raised during the evidence sessions about the timing of the legislation and its impact on the release of funding. As we heard on Tuesday from Adrian Blaylock of the Chartered Institute of Public Finance and Accountancy and Sarah Pickup of the Local Government Association, there is a concern about timing related to section 47 of the Local Government Finance Act 1988. In essence, a local authority cannot take financial decisions more than six months after the financial year to which the decision relates. As we know, the majority of covid restrictions applied during financial year 2020-21 rather than 2021-22, so there is a question about whether a local authority can grant these reliefs to cover losses incurred during the 2020-21 financial year. Local authorities need reassurance that they can; otherwise, strictly speaking, all the local schemes will need to be set up and be running by the end of September.

As of this morning, we have the legislative timetable until the summer recess, and while the Government thought it appropriate to schedule two days for the Second Reading of the Nationality and Borders Bill, they could not find time for the remaining stages of the Bill we are discussing today. Given that there will be Lords consideration, as well as the conference recess, I do not see how the Bill will get through all its stages before the middle to end of October. If the Minister can correct me on the timescales, I will happily give way. If not, I hope that he will explain how this will affect the timescale for payments.

We have received supplementary evidence from the Institute of Revenues Rating and Valuation suggesting that a way around this problem might be to amend the Bill, effectively to exclude it from section 47 of the 1988 Act. I am interested to know whether the Government might consider such an amendment on Report to give local authorities and businesses reassurance.

11.45 am

We have heard about the risk that, if the amounts allocated to each local authority are inadequate, there will be pressure on overstretched councils provide funding from their own pot, beyond the resources that have been made available. Of course, that could result in local economic pressure, because businesses that cannot manage without the relief that they have been expecting may close. That reinforces the urgent need for the Government to get guidance out to businesses and councils to give them certainty, and to be transparent about the rationale behind the amounts to be allocated and the eligibility criteria.

I repeat the point made by the Local Government Association that there cannot be a simplistic per head allocation of resources across local authorities; it needs to factor in the areas and sectors where businesses have taken the biggest hit. It was a concern to hear during the evidence sessions that there appear to be no conversations happening with local government on the framing of that guidance. Perhaps the Minister could address that point.

I will touch on the ability of the VOA to carry out its duties in the context of this legislation. As we know, the VOA is currently conducting the next business rates valuation. Although this legislation removes a potential overburdening of the VOA by ruling out an influx of MCC claims, we believe that there is already a need for extra resources for the VOA. Revaluations of business rates are slow and infrequent, and a wide coalition of business organisations has been calling for more frequent revaluations so that there is a closer and more accurate link between the rate and the state of the economy and businesses' ability to pay.

We understand, and supported, the decision for the next revaluation to be moved to 2023, so that it did not take place in the middle of a pandemic. More generally, as we hope to leave the pandemic behind us, the VOA needs to be given the resources that it needs to carry out more frequent revaluations. Additionally, plenty of businesses have legitimate non-covid-related MCC claims. They will be looking hopefully to the VOA for a timely decision, and it needs to have the necessary resources to process all the claims not ruled out by this legislation.

Finally, I will speak to new clause 2, which appears in my name and that of my hon. Friend the Member for Feltham and Heston. The new clause would place an obligation on the Secretary of State to publish an assessment of the provisions in clause 1. It asks for a review of the effectiveness of the legislation. Of course, the effectiveness of any legislation should be subject to review, but in relation to this particular Bill there are a number of uncertainties and questions around the provisions, impacts and related funding.

We do not know whether restrictions and closures will need to be reintroduced later in the year. We all hope not, of course, and we hope that we do not get a vaccine-resistant strain of the virus, but the upcoming relatively uncontrolled relaxation of restrictions may have consequences that are difficult to predict. If we have to close businesses again, we need to know how well this package has worked. We owe it to struggling businesses, overburdened local authorities and the VOA to get this right. An assessment of the provisions in the

Bill is, we think, a very reasonable request. By then we should have access to hard data and facts that will inform us for the future, so I hope that Committee members will support new clause 2.

The Opposition recognise the rationale for the Bill. We have tried to engage constructively to raise the questions that need to be clarified, and I look forward to the Minister doing so in his response.

Luke Hall: I thank the hon. Gentlemen for the constructive way in which he has held this discussion and raised legitimate points, especially following the sittings on Tuesday, which I thought were useful and informative. I will try to address all those points.

On funding, the £1.5 billion comes on top of a significant package of business rates support: £16 billion of relief over two years for the retail, hospitality, leisure and nursery ratepayers most affected by the pandemic. The new scheme will be targeted at the sectors that are most affected by covid-19 but have not benefited from that type of business rates support. It will enable councils to award relief to businesses that they consider to have been most affected, using their local knowledge, contacts and systems for determining who will be eligible. Councils will ultimately be responsible for decisions on the award of the relief. The crux of the issue is that it is about ensuring that relief is targeted at the businesses most affected by covid-19 and providing certainty for ratepayers and councils—it is not about saving money. It is never easy to draw the line, but we think that this strikes the right balance between supporting ratepayers and maintaining a tax base that continues to fund vital services in local government, which are more important than they ever have been.

On the point about airports, it is a core principle of the business rates system that MCC challenges should be used between revaluations to address issues of a discrete geographic, sectoral or temporal nature. The drop in demand for airports in the light of the pandemic is exactly the sort of market-wide economic change affecting property values that should be considered only at revaluations. Airports have received significant support for their fixed costs during this period from the airport and ground operations support scheme, and the Chancellor announced in his recent Budget a further six months' support up to the equivalent of their business rate liabilities for the first half of 2021, subject to certain conditions under the £4 million cap.

The hon. Gentleman asked when the guidance for councils would be published. As we heard earlier this week, we absolutely recognise the importance of getting the guidance published as soon as we can. We want to do that, and I will clarify one of the points that was raised on Tuesday. We have shared the draft guidance with the LGA, officers from the Chartered Institute of Public Finance and Accountancy, and the Institute of Revenues Rating and Valuation. We are now discussing the parameters of the scheme with them in order to help shape the final document, so I offer the Committee some reassurance on that. We have done that in parallel here, to try to ensure that we can get it published as quickly as we can. We will absolutely be working with local government to help ratepayers apply for the new relief as soon as they can once the Bill has passed and they have set up their schemes.

Jeff Smith: Does the Minister accept that there is absolutely no reason to wait for the Bill to pass to put the scheme in place? The Government could distribute the £1.5 billion today, if they wanted.

Luke Hall: I thank the hon. Gentleman for that intervention. The point is that we are still working on the final points in the guidance. The LGA made the point that it desperately wants to be involved in the drawing up of the guidance and in setting the framework and parameters. That is what we are doing and going through now. As soon as we are ready to do that, of course that is what we will do. We are as keen as everybody for the support to be available to local authorities, so as soon as the Bill has passed, we will ensure that we get the support out to councils and businesses as soon as we can. It is a point that has been well made by the Opposition and by people who contributed written evidence and who participated in the session earlier this week and the Second Reading debate, so we are acutely aware of that point.

Another temporal question was raised on Tuesday that the hon. Gentleman asked me to clarify today—whether the legislation will prevent councils from awarding rate relief after the end of September. I want to offer some reassurance on that, and I will perhaps do so in writing after the Committee as well, just to provide some more detail. There is a requirement in primary legislation that certain decisions on the use of a discretionary rate relief scheme must be made by a local authority by the end of the September following the year in question. For the year 2021, that deadline is fast approaching. Given the scrutiny that a Bill of this nature deserves, we do not expect councils to be in a position to award the whole £1.5 billion relief scheme in respect of liabilities for 2020-21. Instead, we can simply ensure that the scheme will apply to 2021-22 liabilities, and local authorities have over a year until the deadline for that period. Ratepayers will still be receiving rate relief, which councils can award on the basis of how ratepayers have been affected by covid-19, but it will be against their liability for this year rather than last year, so we can still ensure that ratepayers quickly receive support against their rates bill once the Bill receives Royal Assent. As that is a slightly technical point, perhaps I will put that in writing before Report, so that it can be scrutinised properly by the Opposition and we can discuss the point further.

I appreciate that concerns have been raised about VOA funding. I agree that the Bill will help the VOA to focus on delivering its important functions, such as the wider 2023 revaluation. The Treasury is working closely with the VOA and HMRC to understand the resourcing requirements. We have provided the VOA with £22 million to update its IT systems, enabling it to become more flexible, more efficient and more resilient, and we have provided £31 million to support the revaluation in 2023. Of course, we will continue to assess the VOA's funding in the spending review as well.

The hon. Gentleman rightly highlighted the pressures on local government and the new burdens that the Bill could create. It is right that when the Government ask councils to deliver new activity we consider new burdens. I assure the Committee that we will work closely with local government to consider, and assess the funding of, any new burdens in the administration of the relief as

[Luke Hall]

they arise. We have tried to do that in good faith throughout the pandemic, and will continue to ensure that that is the case.

I thank the hon. Gentleman again for his contribution. I am happy to try to clarify any further points that he wants to raise between now and Report. I look forward to continuing discussions throughout the passage of the Bill.

Question put and agreed to.

Clause 1 accordingly ordered to stand part of the Bill.

Clause 2

Unfit directors of dissolved companies: Great Britain

Question proposed, That the clause stand part of the Bill.

The Chair: With this it will be convenient to discuss the following:

Clause 3 stand part.

New clause 1—*Duty to report on directors of dissolved companies*—

"(1) The Secretary of State must lay a report before each House of Parliament no later than three months after the day on which this Act is passed, and during each three month period thereafter.

(2) Each report under subsection (1) must include the number of former directors of dissolved companies the Insolvency Service has—

(a) investigated; and

(b) disqualified

both in the three-month period prior to the report being published, and in total since section 1 came into force."

This new clause would place an obligation on the Secretary of State to report the number of former directors of dissolved companies investigated and disqualified by the Insolvency Service.

New clause 3—*Effectiveness of provisions on former directors of dissolved companies*—

"(1) The Secretary of State must, no later than the end of the period of one year after the day on which sections 2 and 3 come into force, lay before Parliament an assessment of the effectiveness of the provisions in section 2 and 3 of this Act.

(2) The assessment must include consideration of—

(a) the extent to which the provisions have achieved their objectives;

(b) the interaction of the provisions with other law and policy relating to the investigation and disqualification of directors; and

(c) possible related changes to law and policy."

This new clause would place an obligation on the Secretary of State to publish an assessment of the provisions in section 2 and 3 of this Act.

Luke Hall: I am grateful to the Committee for its useful input in the discussion so far. I welcome the opportunity to talk further about our insolvency regime, which is an international leader on speed and efficiency, returns to creditors and cost. A strong insolvency regime must be backed up by efficient and robust enforcement to tackle wrongdoing, and the UK has a first-class regime to deal with regulatory breaches, whether through criminal proceedings or disqualifying individuals who have shown themselves unfit to act in the management of a limited company.

It will not escape the Committee's notice that the Company Directors Disqualification Act 1986 contains provisions that allow disqualification proceedings to be sought in live companies and in insolvent companies but not in dissolved companies. That is a loophole that has been exploited by unscrupulous company directors, and we heard many examples of that earlier in the week. For example, we have seen many instances where a company is dissolved in order to dump debts, such as those owed to the taxman or employment tribunal awards, only for a new company to pop up, running with the same directors in the same building, sometimes even with the same staff.

The process of allowing one company with debts to drop off the register and starting a new company without the burden of debt is sometimes known as phoenixism. We heard many worrying examples of that earlier this week and on Second Reading. We are therefore seeking to increase the scope of the CDDA to make it possible to challenge director misconduct, even where a company has been struck off the register and dissolved. The clause amends various sections of the CDDA, which will improve the enforcement regime by applying investigation and disqualification processes to former directors of dissolved companies.

On the whole, the amendments apply similar processes and standards to those cases as already exist for disqualification of directors of insolvent companies. That includes the option for a former director of a dissolved company to provide a disqualification undertaking to the Secretary of State rather than face court proceedings. Clause 2(2) amends section 6 of the CDDA to give a power to the court to make a disqualification order on the application of the Secretary of State where it is satisfied that a person was a company director of a dissolved company, and that their conduct makes them unfit to be concerned in the management of a limited company. It also clarifies which court has jurisdiction to make an order for the winding up of the company.

Clause 2(3) amends section 7 of the CDDA. It sets out that, where an application for a disqualification order against a former director of a dissolved company is made, it must be before the end of the three years, starting with the date of dissolution of the company. That mirrors the situation for insolvent companies, where a disqualification order must be made within three years of the date of insolvency. Clause 2(3) also makes an important amendment to section 7(4) of the CDDA to expand the power of the Secretary of State to investigate director conduct in dissolved companies. The outcome of such investigations will provide the evidence for disqualification proceedings and establish that public interest criteria are met.

Section 8ZA of the CDDA allows for the disqualification of a person where they have exerted influence over another person who has been disqualified as a result of their conduct as a director of an insolvent company. If the court is satisfied that the disqualified person acted under the instructions of another person, it may also disqualify that person on an application made by the Secretary of State under section 8ZB. Clause 2(4) and (5) amend those sections of the CDDA so that a similar application may be made by the Secretary of State where a former director of a dissolved company has

been disqualified but acted under the instructions of another person. Again, that mirrors the current position with regard to disqualification in insolvent companies.

12 noon

Sections 15A to 15C of the CDDA deal with the question of compensation to creditors where they have suffered losses due to the actions of a disqualified director. If the court is satisfied that that has happened, it may make an order for the disqualified director to make compensation payments to creditors from their own funds. Alternatively, a disqualified director may give an undertaking to the Secretary of State to make compensation payments as a way to avoid court proceedings. Clause 2(6) amends section 15A of the CDDA to bring the disqualification of former directors of dissolved companies into scope for compensation orders or undertakings.

The provisions of the CDDA apply beyond the companies registered at Companies House. Sections 22A to 22H apply the disqualification provisions to, among others, directors of building societies registered under the Building Societies Act 1986, directors of NHS foundation trusts, and trustees of charitable incorporated organisations, but only companies registered at Companies House will use the dissolution procedure of the Companies Act 2006, so clauses 2(7) and (13) make amendments to those sections to remove any references to dissolved companies, which have been added by clause 2, when those cases are being considered. Finally, clause 2(14) clarifies that the new provisions will apply to former directors' conduct in all dissolved companies, including companies that were dissolved prior to commencement. The CDDA applies to England, Scotland and Wales, so the clause applies in those jurisdictions.

I will also speak to clause 3, as the matter of who may be appointed as a company director is one for which legislative competence is transferred to the Northern Ireland Assembly. Clause 3 applies similar provisions to those in clause 2, except that they are applied to the Company Directors Disqualification (Northern Ireland) Order 2002. A legislative consent motion has been provided by the Northern Ireland Assembly, so I hope the Committee will agree that the changes will increase confidence in doing business across the UK, protect the business community and the wider public from the actions of delinquent directors, and send a strong message that the dissolution procedure may not be abused. I recommend that clauses 2 and 3 stand part of the Bill.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): It is a pleasure to serve under your chairship, Ms Rees. I thank the Minister for outlining in some detail the legislation before us and the rationale for clauses 2 and 3 of this short but important Bill. As my hon. Friend the Member for Manchester, Withington stated, and as we both outlined at Second Reading, Labour is broadly supportive of the Bill, including the measures to close the dissolution loophole, which are needed to help tackle phoenixism, and which had almost unanimous support in all the oral and written evidence that the Committee received. There was also support for allowing action retrospectively; it is a welcome addition to the insolvency framework.

As the Committee heard from witnesses on Tuesday, unscrupulous directors can cause significant suffering to those who have invested in, or provided loans to, their company. We have also heard that the payment of employment tribunal awards can be affected. Too often, corrupt directors are able to absolve themselves of their financial responsibilities through dissolution, due to the time and money required for creditors to restore the company before being able to take action against it or the directors. As we heard in evidence, the Bill should therefore positively impact on creditor confidence. We also know that the taxpayer is now becoming a victim of this process, and that the action being taken is more limited due to the blunt tools and insufficient powers currently available, as unscrupulous directors seek to avoid paying back covid support loans.

It is therefore welcome that clauses 2 and 3, which deal with Great Britain and Northern Ireland respectively, remove the requirement for a dissolved company to be restored before the Government can act. The key change being made is that the powers available to the Secretary of State to investigate former directors of insolvent companies will be extended to cover dissolved companies. It will become easier for the Government to investigate the conduct of dissolved companies and, consequently, to seek disqualification orders or undertakings if desired.

However, although the clauses are a positive step, there are a number of concerns, most notably around the resourcing of the Insolvency Service, the Government's plans and performance in relation to action taken in the investigation and disqualification of directors, and Parliament's ability to scrutinise the outcomes of the legislation. Those gaps will, in our view, significantly limit the potential effectiveness of the Bill in its efforts to tackle financial corruption—potentially costing creditors, the Government and the public billions of pounds. Labour is calling for new clauses 1 and 3, tabled in my name and that of my hon. Friend the Member for Manchester, Withington, to be added to the Bill to address those gaps.

New clause 1 would place an obligation on the Secretary of State to lay a report before the House every three months following the passing of the Bill, outlining how many directors have been investigated and disqualified by the Insolvency Service. New clause 3 would place an obligation on the Secretary of State to publish an assessment of the provisions in clauses 2 and 3 of the Bill a year after it comes into force. That assessment would consider the extent to which the provisions have achieved their objectives, the interaction of the provisions with other law and policy relating to the investigation and disqualification of directors, and possible changes to law and policy.

In relation to new clause 1, I will outline some concerns on resourcing for investigations and action, including disqualifications. As Duncan Swift, the former president of R3, highlighted on Tuesday, the Bill could result in the Insolvency Service taking on "10 to 15 times" the number of investigations that it currently undertakes. However, there is no indication in the Bill, or in the Government's intentions around it, that the Government plan to increase funding and resources at all for the Insolvency Service, let alone by 10 to 15 times, to allow it to cope with that potentially huge increase in workload.

That is despite the fact that R3 members, as identified in its evidence, often report encountering cases showing significant legal breaches by directors that, to their surprise, do not lead to disqualification. Several witnesses have suggested that the Insolvency Service is woefully

[Seema Malhotra]

under-resourced as it is. Without the necessary extra funding and resources for the Insolvency Service, the Bill's aims of disqualifying unscrupulous directors or seeking undertakings simply will not be met. In fact, the measures introduced by the Bill may come at the expense of what the Insolvency Service is currently able to do in terms of investigating insolvent companies.

On top of that, we know that the Insolvency Service cannot apply to court for the disqualification of a director whose company has been dissolved for three years or more. That means that the Insolvency Service does not just need the extra resources to carry out those additional investigations, but needs to carry them out promptly and within the three-year timeframe. As Dr Tribe summarised on Tuesday, the Insolvency Service

"needs to be properly funded to ensure that this additional disqualification work can happen."—[*Official Report, Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Public Bill Committee,* 6 July 2021; c. 18, Q29.]

All may go smoothly. There may be no backlog, no issues and no need to review the effectiveness of the legislation in meeting its goals, but we need to know that, and Parliament must be able to scrutinise in a timely and effective way. I hope that the Minister will support Labour's call for new clause 1 to be added to the Bill, because surely this will be a report that he, too, will want to receive. On Second Reading, the Minister for Small Business, Consumers and Labour Markets said that the Government

"will be working with the Insolvency Service to ensure that it has the resources to do its job."—[*Official Report*, 28 June 2021; Vol. 698, c. 83.]

Those may have been reassuring words to get us through this week, but we want to be able to see the outcomes of the process and how well the system is working. Surely that is in all our interests, both as parliamentarians and as constituency MPs.

New clause 1 would ensure regular reporting on the number of directors of dissolved companies investigated and disqualified by the Insolvency Service. In doing so, it would provide oversight and scrutiny around the Insolvency Service's ability to implement the measures in the Bill. It would alert the House to any resourcing issues facing the Insolvency Service and evidence the need for extra funding in order to fulfil the aims of this Bill.

Another significant gap in the Bill is the lack of detail surrounding how the Government plan to act following the potential disqualification of directors. Disqualification itself does not provide measures for repayment so, on its own, it is not enough of a deterrent to prevent directors from acting unscrupulously. As Duncan Swift summarised on Tuesday:

"The serious rogue directors do not see being disqualified as a significant deterrent."—[*Official Report, Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Public Bill Committee*, 6 July 2021; c. 60, Q96.]

What does represent a deterrent is being held to account for misappropriated assets and having personal liability for actions wrongfully undertaken as a director. Compensation orders are mentioned in the Bill. Since they have been introduced, very few compensation orders have been issued and their effectiveness has been unclear. Insolvency is a tried and tested way of recovering monies owed to creditors. Thousands of insolvency procedures take place every year that return hundreds of millions of pounds to creditors, but these processes are not without time, cost and considerable stress.

In order for the Insolvency Service, the courts and creditors to have clarity over what this Bill means, the Government should address the legislative gap. In order for the Bill to be effective, they must ensure this policy acts as a deterrent to unscrupulous directors and allows the aims of this Bill to be met.

That is why Labour has tabled new clause 3, which I am speaking to now. It would ensure that an annual assessment was made of the Bill's effectiveness in acting as a deterrent to unscrupulous directors and at recouping owed monies. It will encourage the consideration of changes to the Bill to aid its effectiveness, making up for the current gaps in the Bill's detail.

Clauses 2 and 3, which makes the same change to legislation in Northern Ireland, are broadly welcomed by the Labour party. We are pleased that a legal loophole, exploited for too long by unscrupulous directors, will finally be closed, but the Bill does not contain the details and or provide the oversight that Parliament needs to scrutinise its effectiveness and the outcomes it seeks to achieve. That was why we tabled new clauses 1 and 3: to ensure that the Insolvency Service is given the funding it needs to carry out the Bill's goals, and to see disqualified directors repaying their loans and being held accountable for their liabilities in the most effective way.

I hope that the Committee sees the value of these new clauses and what they bring to the Bill, and I look forward to the Minister's response.

Luke Hall: I again thank the Opposition for the constructive way in which they have approached this useful discussion throughout the passage of the Bill. I am grateful for the contributions on new clauses 1 and 3, which would require the Secretary of State to make reports every three months to Parliament on the number of directors investigated and disqualified under the provisions in the Bill, and to report their effectiveness after one year.

I reassure the Committee that the Insolvency Service routinely produces insolvency statistics, covering company insolvencies in the UK and individual insolvencies in England and Wales, as well as some of the underlying data alongside that. These are published online, available to everybody, every three months. At the start of the pandemic, the Insolvency Service undertook to provisionally add experimental monthly data releases concerning insolvency numbers. In this way, the statistics could act as an indicator on the pandemic's impact on insolvencies.

As well as the quarterly releases of insolvency statistics, information about the Insolvency Service's enforcement activities is published and updated monthly. This data includes the number of companies wound up in the public interest and the number of disqualification orders and undertakings, broken down by the relevant section of the CDDA under which they were sought. Information on the length of the periods of disqualification is included and there is an annual report on the nature of the misconduct being alleged.

12.15 pm

Through online searches, people can see that a wealth of information is already provided. In future reports, enforcement outcomes will also include any disqualifications

made against former directors of dissolved companies. In addition, an undertaking has been given in the impact assessment for the Bill to produce a post-implementation review of the measure to allow for investigation and disqualification of former directors of dissolved companies. That review will be done within five years of the commencement of the measure, which is in line with better regulation requirements. The exact form of the review is yet to be determined, and I am happy to work with the Opposition and hear their views about it. It is likely to be informed by the case numbers and to include an assessment of whether the powers are capable of being used as intended. I hope that that reassures hon. Members that there will be a review of the new provisions, and that they will therefore not press the new clauses.

On the resourcing point that the hon. Member for Feltham and Heston raised, the Insolvency Service employs its finite resources to maximum effect. It tries to prioritise cases where there has been most harm to the public and the wider marketplace. While it is clear that the resources of the Insolvency Service are not limitless, they are sufficient to take forward all cases where there is a realistic likelihood that investigation will result in the disqualification of directors, bankruptcy restrictions, the winding up of a company in the public interest or a successful prosecution. All cases requiring further investigation are prioritised and allocated so that the most serious cases are dealt with first. The Insolvency Service, the Department for Business, Energy and Industrial Strategy and the Treasury continue to work closely to respond to bounce back loan fraud, including by determining the resources that are required to tackle these cases.

The hon. Lady made a point about time limits. I reassure Members that the time limit referred to in the Bill does not relate to when the misconduct occurred. An application for a disqualification order may be made within three years of the date on which the company was dissolved, but that period can be extended with the leave of the court. That mirrors the provision for the investigation of conduct in companies subject to insolvency proceedings, where the period during which a disqualification application may be made is three years from the date the company becomes insolvent.

At present, the average time between the commencement of an insolvency to the stage of an investigation where a decision is taken to start proceedings is about 15 months. The bounce back loan scheme was launched on 4 May, so we are confident that a period of three years will be sufficient in most cases for an investigation into the conduct of former directors of dissolved companies with unpaid bounce back loans to be properly undertaken. We should also be clear that there is no limit to how far back conduct can be considered in evidence to support a disqualification report.

I hope that that offers some reassurance to Opposition Members. I am happy to work with them on the detail as we move through the passage of the Bill.

The Chair: Mr Grant, would you like to speak on these provisions before I put the Question?

Peter Grant (Glenrothes) (SNP): I am very grateful for your understanding, Ms Rees, in allowing me to speak. I would like to make some comments on clause 2. I think that the new clauses are good and I hope that the Committee will agree to them.

There is widespread agreement that clause 2, or something very like it, is needed. We have seen only one dissenting submission from anybody, and that was from an individual solicitor. Speaking as a legal layperson, I thought that that submission contained inconsistencies and seemed almost to miss the point of the legislation. Although I respect the right of that individual to express their views, I cannot agree with them.

We already have legislation that gives the Insolvency Service three years to apply for a disqualification order against the director of a company that goes through a full liquidation if it finds evidence of misconduct in the running of the liquidated company. If the director chooses to dissolve the company without going through liquidation first, the Insolvency Service cannot move to have them disqualified from other directorships for misconduct in the running of the dissolved company.

To indicate how untenable that inconsistency is now that it has been identified, I invite the Committee to imagine that the clause we are debating had been included in the Company Directors Disqualification Act right at the beginning. If somebody had come forward with a proposal to change the Act to create a special exemption for directors who deliberately dissolved their company as a way of dodging the consequences of the own misconduct, nobody would have taken it seriously. We would not create a loophole deliberately. The only disappointment I have is that the proposal to close this loophole has taken so long and that there are still far too many other loopholes for criminals to exploit.

I want to repeat a comment I made on Second Reading, and on which I asked a number of the witnesses to comment on Tuesday. The Government rightly point to the increase in phoenix companies that are set up as part of, or immediately after the dissolution of, a dodgy company. A similar abuse can and does take place where the phoenix company is a long-established associate company of the one being dissolved. The abuse does not rely on a new company being set up if the directors have a few handy replacement companies already in the bank, or on the Companies House register.

During the evidence sessions, I asked a number of witnesses if they had any concerns about the retrospective nature of clause 2. It is important to remember, as the Minister has pointed out, that we are not retrospectively outlawing something that was legal at the time; all we are saying that if someone is strongly suspected of having acted improperly or illegally in the past, that misconduct can be properly investigated. We are not even giving additional powers to the regulator to act; we are removing an artificial barrier that should probably never have been there in the first place to allow that investigation.

We heard an interesting range of views from witnesses on the three-year time limit. As the Minister pointed out, that limit applies from the date of dissolution, not the date of misconduct. If, for example, the directors of a company dissolved it in 2019 because they realised that their misconduct of 2015 was beginning to be picked up by the Insolvency Service or anyone else, they would not get away with it. For now, I think it makes sense to retain the three-year limit that applies elsewhere in the original Act, but I ask the Minister to give careful consideration to extending the limit in future legislation.

In other debates, I have referred to the scandalous way in which Blackmore Bond plc targeted very high-risk investments at people it knew were looking for quite the

[Peter Grant]

opposite—a safe place to invest money they could not afford to lose, as they had told the directors of Blackmore Bond. The investors have lost pensions and life savings totalling £46 million. The shareholder directors, Phillip Nunn and Patrick McCreesh, still appear to be doing very nicely indeed, thank you very much.

In 2015, the Insolvency Service, as part of a much bigger investigation into at least one other company, found that through an earlier company called Nunn McCreesh limited liability partnership, the same Phillip Nunn and Patrick McCreesh had been paid nearly £900,000 to identify investors for Capita Oak—an investment scheme that is now under investigation by the Serious Fraud Office. At the very least, there are major questions about what Nunn and McCreesh did for their £900,000 and about whether it was legal or proper. Perhaps by complete coincidence, also in 2015, Nunn and McCreesh dissolved the limited liability partnership.

Under the existing legislation, the Insolvency Service would not have been able to use any misconduct in the running of Nunn McCreesh llp to apply for disqualification orders against Nunn and McCreesh. It could not have stopped them from setting up the much more lucrative Blackmore Bond in 2016. The Bill still would not allow it to do so because of the three-year time limit. That is one reason I am asking the Minister to consider the three-year limit in future.

At least this legislation means that if another Nunn McCreesh llp comes along now, the Insolvency Service will have one small but important additional weapon in its armoury to stop it. It came too late to stop Blackmore Bond making £46 million by making other people's money—other people's life savings and pensions—disappear. Hopefully, the next Blackmore Bond will be stopped in time and that will not happen again.

It took only the briefest of searches this morning to find that Phillip Nunn, one of the directors of Blackmore Bond and Nunn McCreesh, was a director of no fewer than 10 different companies that have been dissolved in the past year. For most of them, the only other director was Patrick McCreesh. I do not know whether Mr Nunn or Mr McCreesh was ever placed under formal investigation for their part in Capita Oak, and I do not know what was in the liquidator's report that was submitted to the Secretary of State about their conduct, as happens with any insolvency case, but surely the fact that they were able to dissolve the company in 2015 should not make any difference to the investigations to which they can be subjected now or the sanctions they can face if they are found or suspected to be guilty of serious misconduct in the operation of Nunn McCreesh llp or any of their other companies. When I was looking at the activities of Blackmore Bond, one of the other companies with which it went into what was called a strategic partnership led to another of these fascinating spider's webs of dissolved companies and resurrected companies, one of which has an ultimate owner that is a limited liability partnership registered in England with five partners who appear to be members of the same family—two people of similar age who are the designated partners, and three people about 25 to 30 years younger than them who are partners but not designated. It looks like mum, dad and kids—why not?

According to documents that the senior designated partner certified and submitted to Companies House, which Companies House accepted and still has displayed on its website, one of those younger partners consented to the responsibility of being a partner in that partnership when she was 16 years old. One of them, according to those documents, consented to those responsibilities when she was 14 years old. One of them was 10 years old.

Some of our witnesses referred to the gross inadequacies in the processes of Companies House for checking the documents that are submitted to it. Those documents are being used to demonstrate that a company is genuine and bona fide. Those kinds of thing make it clear to me that while the Bill should be supported today and while the clause should be adopted with or without the related new clauses suggested by the main Opposition party, there are still massive holes in our regulation of companies through the Financial Conduct Authority, Companies House and the register of companies, the Financial Reporting Council and the professional auditing bodies.

Not a single part of the regulatory framework is working properly. Sometimes that is because the regulators are not doing the jobs that they are there to do. Sometimes it is because they are not resourced and do not have the firepower to compete with some of what they are faced with. Sometimes it is because the legislation we have provided them with is not fit for purpose. When those three things come together in so many regulators at the same time, it is no wonder, as one of our witnesses pointed out, that the United Kingdom is seen as one of the softest of soft touches for fraudulent companies. An entire company can be set up for no other reason than to steal people's money.

I welcome the Bill, I certainly support clauses 2 and 3, and I will recommend that the Bill be supported when it returns to the House on Third Reading, but it is only a tiny step on a much longer journey. I urge the Minister and his colleagues in Government not to see the Bill as the last step, but to see it as the first in making the United Kingdom, whatever format it might take in the future, and all our four nations no-go areas for the scammers, chancers and charlatans for whom we have been far too soft a touch for far too long.

Luke Hall: I thank the hon. Gentleman for his powerful contribution; he is extremely well informed on these matters. I thank him also for his support and take into account his comments on the three-year limit. I am grateful for that.

The Government are certainly not pretending that the work stops here. However, the Bill is a positive step forward in the right direction and it is taking action. I will raise the points the hon. Gentleman has made today with the Under-Secretary of State for Business, Energy and Industrial Strategy, my hon. Friend the Member for Sutton and Cheam.

Question put and agreed to.

Clause 2 accordingly ordered to stand part of the Bill.

Clause 3 ordered to stand part of the Bill.

Clause 4

Extent, commencement and short title

Question proposed, That the clause stand part of the Bill.

Luke Hall: The clause covers technical areas such as the Bill's territorial extent, the commencement and the short title. Clause 4(1) sets out that the business rates measure relating to material changes of circumstance in clause 1 extends to England and Wales. However, the application of clause 1 is to England, meaning that in effect it applies only to England. As I said earlier, the Welsh Government yesterday announced their intention to include in the Bill provisions applying to Wales. We will work closely with them on that and take the necessary steps.

Clause 4(2) confirms that the extent of the directors disqualification measure is the same as for the provisions being amended, which means that clause 2 extends to Great Britain and clause 3 to Northern Ireland. The effect is that the measure extends to the whole UK.

12.30 pm

Clause 4(4) and (5) deal with commencement. The business rates measure relating to material changes of circumstances will commence when the Bill is passed. The power for the Secretary of State or the Northern Ireland Department for the Economy to investigate the conduct of former directors of dissolved companies, set out in clauses 2(3)(b) and 3(3)(b), will also commence when the Bill is passed. That will allow for the investigation process to start immediately where serious breaches of expected standards are suspected. Other provisions in clauses 2 and 3, such as the powers to seek the disqualification of former directors of dissolved companies, will commence two months after the Bill has passed.

Clause 4(6) confirms the short title of the Bill.

Jeff Smith: I thank the Minister. Obviously, this is a technical clause that we have no problem with. I just want to make this point again: the extent and the commencement are important, but the distribution of the £1.5 billion to businesses that desperately need help does not rest on the passing of the Bill and its clauses. The commencement of the help to businesses could start as soon as the guidance is ready.

Luke Hall: I thank the hon. Gentleman. That is why we are so keen that we work at pace with the LGA and others to make sure that the guidance is in the right place to distribute so that we can get the support out as quickly as possible.

Question put and agreed to.

Clause 4 accordingly ordered to stand part of the Bill.

The Chair: Does the hon. Lady want to move new clause 1 formally?

Seema Malhotra: In the light of the Minister's response, I will not press it today, but we would be interested in further discussions on the review that the Minister has outlined and we will return to this issue on Report.

New Clause 2

EFFECTIVENESS OF NON-DOMESTIC RATING LISTS PROVISIONS

"(1) The Secretary of State must, no later than the end of the period of one year after the day on which this Act is passed, lay before Parliament an assessment of the effectiveness of the provisions in section 1 of this Act.

(2) The assessment must include consideration of—

(a) the extent to which the provisions have achieved their objectives;

(b) the interaction of the provisions with other law and policy relating to coronavirus support for business and business rates; and

(c) possible related changes to law and policy."—*(Jeff Smith.)*

This new clause would place an obligation on the Secretary of State to publish an assessment of the provisions in section 1 of this Act.

Brought up, and read the First time.

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

The Committee divided: Ayes 5, Noes 8.

Division No. 1]

AYES

Grant, Peter
Malhotra, Seema
Rimmer, Ms Marie
Smith, Jeff
Whitley, Mick

NOES

Baker, Duncan
Baynes, Simon
Hall, Luke
Hunt, Jane
Jenkinson, Mark
Richardson, Angela
Throup, Maggie
Young, Jacob

Question accordingly negatived.

New Clause 3

EFFECTIVENESS OF PROVISIONS ON FORMER DIRECTORS OF DISSOLVED COMPANIES

"(1) The Secretary of State must, no later than the end of the period of one year after the day on which sections 2 and 3 come into force, lay before Parliament an assessment of the effectiveness of the provisions in section 2 and 3 of this Act.

(2) The assessment must include consideration of—

(a) the extent to which the provisions have achieved their objectives;

(b) the interaction of the provisions with other law and policy relating to the investigation and disqualification of directors; and

(c) possible related changes to law and policy."—*(Seema Malhotra.)*

This new clause would place an obligation on the Secretary of State to publish an assessment of the provisions in section 2 and 3 of this Act.

Brought up, and read the First time.

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

The Committee divided: Ayes 5, Noes 8.

Division No. 2]

AYES

Grant, Peter
Malhotra, Seema
Rimmer, Ms Marie
Smith, Jeff
Whitley, Mick

NOES

Baker, Duncan
Baynes, Simon
Hall, Luke
Hunt, Jane
Jenkinson, Mark
Richardson, Angela
Throup, Maggie
Young, Jacob

Question accordingly negatived.

Question proposed, That the Chair do report the Bill to the House.

Luke Hall: I put on record my thanks to the Committee, the Clerks of the Committee for their work, the Opposition for being so constructive, and all hon. Members. I also thank the Opposition for wishing me a very happy

[Luke Hall]

birthday. If I am honest with myself, I have never had this many people at one of my birthdays, so it is an absolute pleasure. I thank the Committee for its work in the consideration of this important Bill.

Question put and agreed to.

Bill accordingly to be reported, without amendment.

12.37 pm

Committee rose.

Written evidence reported to the House

RDDB04 Philip Clarkson BSc FRICS IRRV (Hons), Director—Rating, Lambert Smith Hampton

RDDB05 R3, the insolvency and restructuring trade body

RDDB06 Supplementary evidence from the Institute of Revenues, Rating and Valuation (IRRV)